Construction of Railroads

G. R. S. IX-5]

Previous references.

LB 4-11&12

1914.

(L.B.)

File No. 21-11

Serial Nos. 1

167

2/14

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. ~~1-19~~ 1-6, 9, 11, 12, 14 15.

Part B for January 15

SUBJECT.

Construction of Railways Chitaldrug

To The President Dt Bd Chitaldrug
Engineer in chief for Railways.
Secy for Railways

No. 9536-8 dt. 28.5.'15

Directs that the estimates for R.Y. line between Chitaldrug & Chickjajur be revised & the line constructed on a narrow gauge & calls upon the Dt Bd to furnish the revised project

29/7/11

G.R.S. 171 1911-12

GENERAL AND REVENUE SECRETARIAT.

(LB

NOTES.

File No. 21 / 11

FILE HEADING.

Construction of Railways Chittagong &c.

From

The Deputy Commr Chittagong

No. 28 Dated 16 July 1911 Received 19.7.11.

Diary No. 386 | Enclos | Spare Copies | Serial No.

BRIEF ABSTRACT OF LETTER

Forwards a copy of his letter addressed to the Secretary for Railways and requests that the points which have to be considered in the Genl Rev Secretariat may be decided.

NOTES AND ORDERS

The two points on which orders are required have been summarised by the Deputy Commissioner in his letter addressed to the Secretary for Railways

(1) The question of investigating the cost of a railway

NOTES—First sheet

GPB—15,000—24-4-09.

(2

G. R. S. 12]
General and Revenue Secretariat.

LB File No. 21 of 1911-11

Serial No.

as one for consideration in the Ry Secretria

(2) Rules for legalising the imposition of a Railway Cess

The District Board accept the principle of levying railway cess of not exceeding 3 pies in the rupee on land Revenue while the Dy Comm advocates the principle of levying Railway Cess on all those items of revenue that now contribute one anna cess to District funds and local fund General.

The question of making legal provision to levy railway cess forms the subject of the linked file.

Separately dealt with in the revenue section of Part III

(3) It is proposed to open a railway toll gate at Chittalong to supplement the revenue from Railway cess:

What is meant by a Railway Toll gate is not clear. The Deputy Comm promises to submit detailed proposals after the principle of a railway toll gate is accepted by

(4) Steps for financing the proposed Railway line and Rules for Guaranteeing interest on the proposed loan

2. It is respectfully submitted that action in this direction

NOTE—Contn. sheet.

GPB—50,000—12-8-10

Serial No.

will be necessary only in case the proposal to Construct a railway line ~~is accepted~~ and to float a debenture loan is approved by Government. The Deputy Commr Suggests that the principles of action may be not Settled at once and need be delayed till the detailed investigation of cost and returns is Completed. He further States that the net earnings of a railway do not afford an adequate idea of the benefit that a Railway will Confer and that no elaborate investigation of traffic is necessary for taking up light Railways. but it is Submitted that a rough estimate ~~of the~~ of the cost of Constructing a railway ~~of working~~ ~~it~~, of what income it is likely to bring in and other details are necessary for deciding whether any big project of the kind proposed Can be safely taken up.—

3. The present financial condition of the District Board of Chittagong Can hardly be Said to be Satisfactory The budget estimates for 1910–11 and 1911–12

NOTE—Contn. sheet.

GPB—50,00 - 12-8-10

386 (0)631

G. R. S. 12]
General and Revenue Secretariat.

LB File No. 21 of 1911-12

Serial No.

Show that the expenditure overtops the income by a large amount. The income can hardly be considered sufficient to meet the legitimate demands.

The financial condition of the Board is as shown below

	As per budget for 1910-11	As per budget for 1911-12
Opening balance	23400	17,535
Receipts	68828	70,396
Total	92228	87931
Debit Expenditure	74693	78,475
Balance	17535	9456

4 Submitted for orders as to whether the proposals KP(av) 24.7.11 from the Railway Secretariat may be awaited

5. Secy) 29.7.11 Mlle

This is not so in information since received. Kolar Bd. undertakes full financial responsibility & asks only the security of the Debenture holders.

6 From what one can judge the Chitaldrug Board seems more ready than the Kolar Bd. to do something tangible towards the financial responsibility for the Scheme.

The linked file is pending in Br III

7. The question of legislation dealt with in the linked file & the disposal of that question may be awaited

8 The other matters in this file are for the Rly Secrt to deal with

Rly 18/8/11

Mlle 18 8 11

NOTE—Contn. sheet.

18/8/11

GPB—50,000—12-8-10

868.

G. R. S. 12]
General and Reve
Secretariat

LB File No. 21 of 1911-12

Serial No.

From

The Deputy Comm Chitaldrug No. 226 dated 27 Nov 1911.

Enquires whether the cess referred to in letter (SL1) no: 28 dated 27th July 1911 may be levied from the current year and requests that orders may kindly be issued early:-

1) The question of legislation for authorizing the levy of Railway cess is dealt with in the linked file to be submitted to the Dewan after his return from Delhi. The disposal of the question has to be awaited. Subd for orders.

KP(92) Dtd. 19 1.12.1911. II The deputy Comm may be informed that the cess cannot be levied till the Regulation is amended and that he may await the amendment thereof - which is engaging the attention of Govt

LB 358-10. separately dealt with in Branch III

Keep till Cr's return from Delhi.

12/12/11.

14/12/11

12 Putup dr

Note Continue

NOTE— Contn. sheet.

19/1/1912

GPB—50,000—12-8-10

16/1/12

G. R. S. 12
General a[illegible]
Secretaria[illegible]

LB File No. 9 of 19 11—12

Serial No.	From
13	13 The Deputy Commr Chitaldrug To No. 281—2 d 4 Jan

Proposes that the railway from Chickjajur to Chitaldrug may be exten to Hiriyur and the Whole line sanc to guarantee interest at once and states that the funds extending the Railway may be foun by levying an extra cess of one anna in the Hiriyur Taluk and by taxi the lands under the High level Channel of the Marikanve reservo at 8as an acre more than the lan under the old channels

From The Same officer No. 304 d 17 Ja 14.

In continuation of the above, Suggests that the lands under bo the High level and Low level Chan may be proposed to be formed in blocks according to the Block syste may be assessed at a uniform of Rs 5—8—0 an acre and an extra Cess of only 6 pies in the rupee lev in the Hiriyur Taluq for Guara interest on funds required to fina the extension of Railway to Hiriy

5 The Deputy Commissioner Hos[illegible] that early orders may be accorde

NOTE—Contn. sheet.

GPB—50,000—12-8-10

for surveying the line from Chichgajpur to Hirirpur. It has been ordered that arrangements should be made for surveying the line from Chichgajpur to Chitalong. The question of extending the Survey operations so far as Hirirpur is one for consideration in the P. W. Department. The D.C. further requests that the sources of revenue that will be set apart for guaranteeing interest on capital outlay may also be indicated.

One of the sources is the Railway Cess of three pies in the Rupee on all items which now contribute one anna cess. This can not be levied until the L.B. Regulation is amended and the amendment which is engaging the attention of Govt has to be awaited:

17. The proposals for assessing the lands of Marikanve to be included within block limits at Rs 5-8-0 an acre and for levying six pie cess or one anna cess in the Hirirpur Taluk and for setting apart the excess income Railway guarantee are probably consideration in the Revs Dept also the questions ---- matters referred to in paras 4 & 5 of the letter under disposal

G. R. S. 14.
neral and Reven
Secretariat.

LB File No. 21 of 19 11-12

Before the Construction of a branch line of Railway is decided upon it is essential to consider

(i) Whether the branch line would justify its Construction by what it would earn for itself

(ii) What benefit would the country derive by its Construction from the branch line

(iii) What benefits would the main line derive and whether the main line would pay a rebate of any portion of the net earnings derived by the former from interchanged traffic with the latter.

The first Question can be answered only after accurate Statistics regarding the traffic of all kinds which pass over roads in the part of the country in which a Scheme for a branch line is feasible are gathered and recorded.

The Dy Comm states that no elaborate investigation of traffic is necessary for taking up light Railways The Dy Comm however presumes that the branch line will certainly pay a return of 1½% on the outlay. There is however no data either for supporting or for rebutting the presumption.

As regards (ii) Chitaldrug would certainly be the better by more railway communications opening up the interior & the new line will undoubtedly improve the local revenues and promote agriculture

NOTE— Contn. sheet.

GPB—50,000—12-8-10

Serial No.

and industry all over the district and specially in the Hiriyur Taluk.

As to (iii) It may with some confidence be stated that the traffic on the main line will increase though one can not venture to say to what extent it will increase in the absence of traffic statistics.

In view of the possible development and of the benefits which the Chitaldrug District will immediately derive by increased Railway Communication it was been decided that a light railway from Chickjajur to Chitaldrug main would be desirable to extend it to Hiriyur with the view of developing the lands under Marikanve. The construction of a railway decide the following questions naturally arise

(a) What kind of Railway shall be made & what will be its cost?

(b) By what agency shall the capital be raised?

(c) By what agency shall it be constructed and worked?

(a) Light Railway of 2'-6" guage is considered suitable for the Bangalore-Chickballapur and Kolar-Bowringpet lines & the same may be adopted in this case also. The Dy Conser estimates the cost at Rs 25000 a mile but from the outlay incurred on similar lines in British India & the available preliminary estimates for the proposed lines within the State it is gathered that the

GPB—50,000—12-8-10

G. R. S. 12]
(neral and Revenue Secretariat.

LB File No. 21 of 19 11-12

Serial No.

Statement E

Cost of a light railway 2'-6" gauge from Chiellajur to Hiriyur a distance of 44 mile Can not be less than Rs 1540000 at Rs 3500 a mile or roughly 15 lacs against 11 lacs as estimated by the Dy Comm

(b) By what agency shall the capital be raised? Whether it will be raised by a loan and or only Whether the interest on the capital shall be guaranteed to a company is a matter which must be influenced by the financial credit of the District Board. If the scheme is sound by itself it does not require a guarantee but if it is not sound the guarantee should not be given unless the line is required for some special reason which would justify a grant-in-aid from the General revenues. The present financial Condition of the Board can not be considered to be sound satisfactory to guarantee the interest and further it is apprehended that no Company of established repute will immediately venture to undertake the Scheme unless they are convinced that the line will by itself yield a fair return on the outlay. The probability of raising the required Capital by floating debentures loan depends upon the financial Condition of the market and the amount of money available in the hands of the public that is available for investment.

NOTE— Contn. sheet.

GPB—50,000—12-8-1

R. S. 12

General and Revenue Secretariat.

LB File No. 21 of 1911-12

Serial No.

The Dy/Commr suggests that Govt may finance and work the Railway for sometime the income set apart by the Dt Bd for Railway purposes being taken as Contribution:—

2. Unless the Govt are prepared to finance the Scheme as suggested by the Dy/Commr or to lend the required Capital on the guarantee of the income from Railway Cess and other Sources the Capital required will have to be raised by floating a Debenture loan. In this Connection it has to be considered whether the District Board can conveniently ear mark a portion of their ordinary income for covering the guarantee. The District Board in its present condition can ~~not~~ spare nothing out of their income without Starving the necessary items of expenditure. The Board ~~can~~ have spent almost the whole income during each of the past five years.

2. To guarantee interest the Dy/Commr proposes to raise the funds by

I Levying Railway cess at 3 pies in the rupee

II Levying extra local cess of 3 pies or 9 pies in the rupee exclusively in the Hooghly Dalua

III Levying an extra assessment of 8 as a acre on lands to be included

NOTE—Contn. sheet.

GPB—20,000—20-1-12

General and Revenue Secretariat

KB File No. 21 of 1911 – 12

Serial No.

within the Block of under the existing Low Level Channels and the proposed High Level Channels to the Marikanve Lake.

22 Assuming that the line will pay 1½% on the capital outlay a sum of Rs37,500 will be required annually to meet the balance of 2½% on an outlay of 15 lacs To meet this amount a sum of Rs 32000 or Rs 38000 may be expected as shown below

Statement

			Rs
A	From Railway cess at three pies —	20,000	20,000
B	From Extra local cess at three pies in the Kuppam Taluk	2000	
	Do at 9 pie		6000
C	From Extra assessment under Marikanve & the increased cess thereon at 3 pies	1000	
	From do & increased cess thereon at 9 pies	"	12000
		32,000	38000

The Dy Commr states that a further sum of Rs 5000 may be expected annually for 3 or 4 years as cess from Sale of lands & Acreage Contribution after the High Level Channel is constructed & the Block system introduced Till the line begins to work and the whole irrigable area under the Low & High Level Channel is taken up the interest which amounts to Rs 60,000 a year will have to be partly charged to the Capital since the same can not be

NOTE—Contn. sheet.

GPB—20,000—20-1-12

F. R. S. 12]

General and Revenue Secretariat.

KB File No. 21 of 191/-12

Serial No.

fully met from the ---ume from 1½ cess at 3 pies in the rupee. It will be some years before the whole of the annual revenue expected from the lands under the block system can be realized in full.

Even after the construction of the High level Channel and after the line begins to work the income expected from the above source it is apprehended will not be sufficient to cover the full guarantee since it is not likely that the whole irrigable area will be taken soon after it is made available for cultivation. Moreover the future of Marikanve is yet an undecided problem.

23. As the basis for the extra income from additional assessment on Marikanve lands is highly problematical at present and can not be relied upon, as the levy of extra local cess in addition to Railway cess exclusively in the Hiriyur Taluq would be invidious and if sanctioned can be expected only for a short time, and as the income from these sources would not be properly of District Fund income the more equitable plan seems to be to levy the railway cess at 6 pies in the rupee instead of [illegible] imposed all over the Chitaldrug Dt. Since the whole District will be materially be benefitted

NOTE—Contn. sheet.

3860 3607 4

G. R. S. 12]

General and Revenu
Secretariat.

File No. 21 of 1911-12

Serial No.

by the Railway. If after the construction of the High Level Channel and the introduction of the block system Government should consider it reasonable to tax the lands at a higher rate in consideration of the fact that the Railway will be constructed mainly for the development of Marikavve lands and to set-apart the extra income to relieve the District-Board from its liability to a certain extent, the Railway cess may be reduced to the extent of the contribution received from the Revenue Department. It is respectfully submitted that the income from Railway cess at 6 pies in the rupee allover the District can be safely estimated at Rs 40,000 a year and will be sufficient to cover a guarantee of 2½% interest on a capital outlay of 15 lacs:-

Draft intermediate reply to the Deputy Commr. is also submitted

KP (92)
7.2.1912

25. In G. O dated 13th Nov 1911, the construction by the District Board of Kuttadi-Vadakara of a railway line between Vadakara and Kuttadi

NOTE—Contn. sheet.

J. R. S. 12

General and Revenue Secretariat.

LB File No. 24 of 1911-12

the line to Hercyer, the final proposals of the Deputy Comr are to levy in the Hercyer Taluk a cess of six pies in the rupee instead of only three pies as suggested above and an assessment of Rs 5 ½ instead of Rs 5 proposed on the lands ~~under~~ under the High and Low level channels of the Marikanve tank brought under the block system, and utilise three pies of the cess and eight annas of the assessment towards payment of the interest due - This proposal ~~does not appear to be~~ requires consideration ~~at present~~. The amendment to the L. B. Regulation which has been proposed is to empower District Boards to levy a cess not exceeding three pies in the re[illegible] ... ~~and~~ It is intended ~~to provide~~ that the additional three pies cess is to be levied by the State in exercise of its Sovereign powers - It will not belong to the

NOTE—Contn. sheet.

GBR—20,000—20-1-12

G. R. S. 12]
General and Revenue Secretariat.

LR File No. 21 of 1911-12

Serial

District board unless it is assigned to it - In the same way, the eight annas additional assessment also has to be assigned to the District Board if it is to belong to it - The income which the Deputy Comr. expects to realise is based on the entire area of the lands ~~included~~ included in the ~~to~~ block system ~~and~~ but as some of the lands may remain unoccupied, the amount expected may not be realised. What therefore the Deputy Comr. considers to be a sound proposal for meeting the ~~cost~~ interest on the capital cost of the proposed extension does not really seem to be so -

30. The financial condition of the District Board is not prosperous - Its normal income is just equal to its expenditure - Whatever it has got to pay towards the railway project, it has to find from fresh sources of income -

31. The Deputy Comr. suggests in para 16 of his letter dated 4th Jan 1912 that as a portion of the

GPB—50,000—19-8-10

income proposed to be levied for guaranteeing the interest on the Hiriyur line is not properly a District Board item and as the whole amount for construction is proposed to be lent by Govt, the Railway may be financed and worked by Govt themselves for some years, the railway cess recovered being taken as a contribution from the District Board and the Board freed from all further financial responsibility. The suggestion deserves consideration as in the event of the scheme resulting in any loss, the District Board is quite unable to meet it.

32. As suggested in the office note above if instead of three pies in the rupee, a cess of six pie be levied by the District Board for railway purposes, the Board may be able to find funds for paying the interest on the capital cost of the whole length of the line between Chikjajur and Hiriyur - This cess is to be levied in

GPB—50,000—12-

Serial No..

the whole of the District and there may perhaps be no objection to do so though the proposed extension is to benefit mainly the Hemyen Taluk only - In that case, the amendment to the L-B- Regulation which is proposed has to be suitably modified -

33. If it is decided to go more fully into the proposals of the Deputy Comr, the file will be forwarded to Branch I for favour of opinion in consultation with the Revn Comr and the Survey Supt.

34. Draft reply to the Deputy Comr as regards his proposals submitted

Secy) 10-2-12 Illegible

Caseworker

In what State is the regulation to amend the Cess ?

35. Issue draft put up -

36. Since the proposals re Block System are being worked out by the P.W.D. the file may be sent to Ch Engr for remarks as the suggestion is to impose cess additional @ as per acre on certain lands for railway purposes -

Illegible

10/2/12

Illegible

10/2/12

Illegible

11/3/12

S. 121

General and Revenue Secretaria

KB File No. 21

Serial No.	
5	From 37. The Deputy Commr Chittagong, N° 1510 dated 9th March 12. Forwards a continuation of Sl 3 above a copy of his letter no: 397 of the 9th instant to the Chief Engineer and requests that early orders may be passed authorising the levy of Railway cess on all items of revenue that now pay one anna cess 38 As per Verbal orders of the Secretary this letter has been included in the preamble of the [illegible] letter to the Dy Commr which is approved and directed to be issued. KP(92) 15.3.12
6	To 39. The Dy Commr Chittagong. N° 6726 dated 16 Mar 12 Informs him that the levy of Railway cess on all items that now contribute local cess can not begin until the L-B Regn is suitably [illegible] Rec'd 28.3.12 KB

NOTE—Contn. sheet.

P.T.O.

GPB—20,000—20-1-12

B III 1785

22

8893/062

J. R. S. 12.]

General and Revenue Secretariat

KB File No. 21 of 1911-12

Serial No.	
Rev. no. 101 8.11.3.12	(40) Forwarded to the Chief Engineer for favour of Remarks

By order
K. Gopalarao
for Secy to Govt
Genl & Rev Depts

For Secy's notice & further instructions
23/3/12

In office Ref 42 dated 25/3/12
please see [illegible] PWD

JJ
30/3/12

Office note put up.
VB
31.3.12.

6949

2

G. R. S. 12]

General and Revenue Secretariat.

C/13 File No. 21 of 1911-12

Serial No.	From
9	41) The President District Board Chitaldrug No 487 dated 22.5. forward a copy of the resolution of the District Board approving of his suggestion to raise the Capital required for the Railway from Chickjajur to Chitaldrug by means of a loan from Govt which will be repaid by raising debenture loans from the public
	42) the main file about financing the scheme of Railway Extension in the Chitaldrug Dt was forwarded unofficially to the Secretary for Railways with M.O. No 108 on 4th April 12
	43) May this communication be forwarded to the Secy for Railways in continuation of the main file Subd for orders.
	KP 92 5-6-12 Secy) 6-6-12 PWM
	44) Submitted for perusal 2nd Councillor & Dewan 6/6
1851 17-6-12	45) May be sent to Secy PWD
	46) Yes - The

NOTE--Contn. sheet.

GPB—20,000—2-12

6949 24

G. R. S. 12]

General and Revenue Secretariat.

L/B File No. 21 of 1911-12

Serial No.

Chelmsford Park one mile from Chelmsford — Defaulter in Urban Council — Why they should not raise a loan at once as did the Municipality

Secretary

W 10/7

SPL 10.7.12

(47) Forwarded to the Secretary for Railways in continuation of this office U.O. No 108 dated 4th April 1912.

By order

Assistant

for Secretary

Genl & Rev Depts.

10/7/12

Do Do 9

12-7-12

J.P.

13/7/12

Submit to Leg.

Case already worked up.

13.7.12

Pleas

12/7/12

P.T.O.

NOTE—Contn. sheet.

GPB—20,000—20-1-12

6949
S 208

25

Railway
Secretariat.

AB File No. 21 of 1911-12

Serial No.

(8)

U.O.Nos. 101, 108 and 9 dated 21st March, 4th April and 12th July 1912 respectively on the subject of the proposed Railway between Chickjajur and Chitaldrug.

U. O. No. 3 dated 18th July 1912.

(49) Enc: 1 to 3 files

Returned, with compliments, to the Secretary, General and Revenue Departments. A statement showing the several questions discussed and replies thereto by this Secretariat is attached.

N. Krishnaswamy

For Secretary for Railway
Government of Mysore.

M

95 A

Questions discussed in the U.O. Nos.101, 108 and 9 dated 21st Marcn, 4th April and 12th July 1912 respectively with replies by the Railway Secretariat.

No.	Points.	Remarks.
1.	Investigating the cost of the railway, etc.	Is receiving attention in this Secretariat. The cost of a Metre Gauge line will probably be Rs.10½ Lakhs.
2.	Rules for legalising the imposition of a Railway cess on all items of Land Revenue.	These are matters for the General and Revenue Secretariat to take action.
3.	Establishment of a Toll gate at Chitaldrug to supplement the revenue from the Railway cess.	
4.	Proposal of the Chitaldrug District Board to raise Debenture loan for repaying the Government money.	
5.	Steps for financing the proposed Railway line and rules for guaranteeing interest on the proposed loan.	-do- In the case of the Bowringpet-Kolar Railway the District Board have raised the necessary funds and Government have guaranteed interest upon capital cost.
6.	Levy of an extra assessment of annas eight on lands to be included under the "Block System" below the Marikanve Channels in the event of the extension of the line to Hiriyur.	As the extension of the line to Hiriyur is outside the Railway construction programme recently sanctioned by Government, the question may be dropped for the present.

H. Krishnaswamy

For Secretary for Railways,
Government of Mysore.

Bangalore,
18th July 1912.

A.L.M.

1691 Gl. 29

J. R. S. 12.

General and Revenue Secretariat.

LB File No. 21 of 191(— VA

Serial No.

50) Submitted with His remarks of the Secretary for Railways

The Questions for consideration in this office are four Nos: 2 to 5 of the Statement put up by the Railway Secty

Point 2. Rules for legalising the imposition of Railway cess.

Action in this connection is taken and the matter is before the Legislative Comm

Point 3 Establishment of a Railway Toll gate.

The Deputy Commr has in a DO addressed to the Secretary stated that the establishment of Railway Toll gate is unnecessary if Railway cess is levied on all items of Revenue which contribute local cess. As the proposed Amendment to the L.B Regulation will authorize the levy of Railway cess on all cessable items no orders are called for on this point

this is put up with LB 358-19.

Point 4. Proposal to raise Debenture loan for Repaying Cost money.

The present financial condition of the District funds does not permit of any guarantee of interest being given But a certain amount of additional income can be secured by the imposition of Railway cess an attempt may be made to ~~borrow~~ raise

C. R. S. 12

General and Revenue Secretariat.

File No. 21 of 1911-12

Serial No.	
	money by floating Debenture loans on the Kollar District.
	Point 5 Steps for financing the proposed Railway line and Rules for Guaranteeing interest on the proposed loan.
	The Deputy Commissioner presumes that the Capital required for the Construction of the line will be advanced by Government and suggests that Govt may finance and work the Railway themselves for about 4 or 5 years, the revenue from Railway cess being shown as a Contribution from District Funds the District Board being freed from all financial responsibility during the period the Govt works the Railway. This is a matter for consideration. Attention is invited to the remarks of the Secretary (Mr. C.S. Balasundaram Iyer) in para 11 of the notes in the limited file dated 3 April 1911.
57	Submitted for orders.
	K.P.U.
	25-7-12
	52) The proposals contained in the series of letters from the Deputy Commr. Chitaldrug Dt. relating to the Construction & financing of the Railway from Chickpet to Chitaldrug & its Extension to

NOTE—Contn. sheet.

GPB—65,000—17-6-19

R. S. 12]

General and Revenue Secretariat.

LB File No. 21 of 1911-12

Serial No.

Page 25 of these notes (Vide Statement)

Hirayur. The [illegible] Sec^{y} f railways in his D. O. dated 18th July has stated that the question of extension of the line beyond to Hirayur may be dropped for the present as it is outside the Railway Construction programme sanctioned by Govt. Here the proposals f financing the Chickjajur-Chitaldrug line alone need be examined.

53) The points requiring consideration are the following:-

(1) The question of financing the construction of the line, the roughly estimated cost being 10 1/2 lakhs as stated by the Sec^{y} for railways.

(2) In case the amount is to be advanced in the first instance by Govt the necessary rules regarding payment of interest & provision f raising the necessary amount required f interest charges.

(3) the proposals of the Deputy Com^{r} regarding the issue of debenture bonds to raise the necessary amount to repay the Govt loan.

54) (1) The Deputy Com^{r}'s proposal is that Govt should advance the

NOTE—Contn. sheet.

G. R. S.'12]

General and Revenue Secretariat. | DB File No. 21 of 1911-12

Serial No.

necessary amount in the first instance. Whether the whole capital Expenditure is to be advanced as a loan or whether a part is to be treated as a Subsidy (Vide para 4 ~~sanction~~ of Govt. order sanctioning the railway programme) are the points for consideration.

2. As regards the interest on the loan, in case Govt. decide to advance a loan, the Dy Comr's proposal finial proposal seems to be confined to the levy of a three pie cess on ale cessable items. and extent on the strength of this the Dt. Board is to guarantee the interest on the capital amount. This proposal of the Dy Comr & Pres. has to be carefully considered. The interest charges on a Capital Expenditure of Rs 10½ lakh come to Rs 42,000 at 4 p.c. The estimated income from the levy of the three-pie Cess is about Rs 20000. The Pres. anticipates that the Rly would yield a net return of 1½ from the beginning & we estimate this income of Rs 20000 from the cess little. the anticipated return of 1½ p.c from the

NOTE--Contn. sheet.

GPB—20,000—20-1-12

G. R. S. 12]

General and Revenue Secretariat. | LB File No. 21 of 1911-12

Serial No.

Railway would guarantee interest & a capital Expenditure of Rs 8½ Lakhs. This seems to be rather an optimistic forecast. In considering ways & means it seems to be necessary not to depend upon any anticipated net immediate return from the railway but to take such measures as will guarantee interest, independently of any such anticipated return from the railway itself. The Experience of many railways in general is against any such optimistic forecast.

(3) As regards the repayment of the Loan to be advanced by Govt, the proposals of the D.Y. Comr. to issue debenture bonds of two Kinds, are contained in his D.O. letter to the Dewan. It is necessary to point out in this connection that no proposal is made to form a Sinking fund or otherwise to repay the debenture bond-holders after the Expiry of the stipulated period.

Submitted for orders.

See 4

31/7/12

NOTE—Contn. sheet.

GPB—20,000—20-1-12

0749

G. R. S. 12]

General and Revenue Secretariat. | LB File No. 21 of 1911-12

Serial No.

55) If the Govt were to advance a loan the amount required for the Railway I think there will be very little chance of getting back their money. They may as well once for all provide the funds themselves for the construction of the line.

~~The debentures may be~~

6) The amount required may be raised through the issue of debentures if interest is guaranteed. The Dist Board is not in a position now to guarantee any even a portion of the interest and even if the proposed addition to the Cess of Sanchores it cannot go far to meet the charge for interest - much less to provide for a Sinking fund to redeem the debentures.

2nd Amendment 17/8/12
Dewan 9.8.12

57) The Dist Bd is not much interested

NOTE—Contra. sheet.

G. R. S. 12]

General and Revenue Secretariat.

GR File No. 21 of 1911—12.

Serial No.

to pay the interest on the loan given after keeping 3 years by less and as such I do not see the necessity or urgency of this time

58) I do not think with such works as the Kannambadi project on hand I could afford to give a loan of 8 or 10 lakh

59) If the time is like to [illegible] will the Dist Bd. should endeavour to raise debenture loan and the time enough, I don't like keeping time. Should however the Dist Bd. is unable to do it then it will be a question for consideration to whether Govt can take it up at once. I do not see any reasons

NOTE—Contd. sheet.

GPB—20,000—20-1-12

F. R. S. 121

General and Revenue
Secretariat

21 of 1911-12

No.	
3132 29.8.12	at the Disposal of Govt
	24/8/12
	28/8 28/8/12
60)	Re The Mill decay [illegible]
	Role on the Attalkam
61)	The simplest course appears Govt to construct the mill at its own expense & appropriate the Cess as well as the [illegible] ship dealing, [illegible] towards income
	7/9
	7/9/12
H Clerk 3/12	Subd
	9/9. Desen)

R. S. 12]

General and Revenue Secretariat. LB File No. 21 of 1911-12

Serial No.
(a)

The question now under discussion is the manner in which the Chitaldroog - Chickajan light Railway estimated to cost 10½ lakhs is to be financed.

In G.O. of 13.11.'11 Hassed T Govt have directed that this particular line should be constructed by the District Board, — the State granting a reasonable subsidy. The amount which the State should grant is understood as 15 lakhs in para 4 for the 4 District Board Railways.

(b4) The proposal of the D.C. Comr is that the money may be advanced in the first instance by Govt as a loan, that debentures be issued to repay this loan and provision for paying off interest made by levying an additional 4 Cesses 3 pies which is estimated to fetch 20,000 Rs. From the Statement of Receipts & Expr during the last five years it is found that the ordinary revenue & Expr of the D. Board leaves a balance (Flag D) the total

NOTE—Contn. sheet

GPB—65,000—17-6-12.

C. R. S. 12]

General and Revenue Secretariat. | File No. 21 of 1911-12

Serial No.

Revenue during this period exceeding the exp^{re} by ~~only~~ about 7,000 Rs or an average of 1,400 per annum

65) Whether the money is advanced by the Govt or by the public provision should be made not only for the payment of interest but also for the payment of principal. This latter consideration seems to have been entirely ignored by the President. To get an advance from Govt or raise a debenture from the public without any provision at all for the repayment of the principal in a reasonable time can not be considered as justifiable.

66) The Railway may be able to pay its own way or not in the beginning and it would not be satisfactory to depend ~~on the earnings of Railway having a profit~~ for the repayment of the interest on the problematical net profits of the Railway. Interest on 10½ lakhs at 4% is 45,000 p.a against which the Railway as it stands only 20,000 and the balance is to be found from 1,400 earnings of the Railway

NOTE.—Contn. sheet.

GPB—65,000—17-6-12.

[C. R. S. 12]

General and Revenue Secretariat. | KB File No. 21 of 1911-12

Serial No.

It is thus seen that as at present situated it is out of the question to imagine that a D. Board with an annual revenue of 67,000 Rs will be able to make satisfactory arrangements for the repayment of 10½ lakhs and the interest thereon which latter alone will amount to about 45,000 p.a.

6) As suggested by the Dewan the only practicable course is for the Govt to own the Railways from its own money — or from borrowed money — taking from the D. Board the R^s cess as a contribution and also the Railway earnings. The arguments for & against the Govt undertaking to build the Railways as follows:-

(1) Light Railways, which are feeders to main lines are strictly intended for the benefit of the local area & must therefore be financed by local bodies. While main lines are to be built by Central Govt (Imperial funds) it must however be

NOTE—Contn. sheet.

C. R. S. 12]

General and Revenue Secretariat. | LB File No. 21 of 1911-12

Serial No.	
	Said that such a principle cannot be applied in a place like Mysore where the Local Govts are ~~not~~ very poor and are practically entirely dependant ~~for~~ on the Central Govt. In a country like England where the Empr of the Local Bodies and Govt is much more than that of the Central Govt, the above principle may be enforced but not here. Moreover, the whole State of Mysore is not very large in area and a ~~sharp~~ distinction between a local and ~~a~~ from the standpoint of bigger States might be considered as a Sub principality - perhaps equal to one of their local bodies - and in such a small place it would not be very necessary to draw a sharp distinction between L. and ~~M~~ & Main lines. ~~And~~ The benefits to be derived by a railway being undoubted, in a small place like Mysore, all lines - ~~Main~~ feeder included may well be constructed by the Central Govt (b) Another reason is that

NOTE—Comm. Stmts.

GPB—65,000—17-6-12.

C. R. S. 12]

General and Revenue Secretariat. | Lb File No. 21 of 1911-12

Serial No.

may undertake such work as that at present Govt is receiving a large sum annually from the Mines & the C.P.S. Both these are Temporary in character + (as at present the C.P.S revenue is Entirely dependant on the Mines & will be considerably reduced if the Mines were to cease working) and of the Nature of joint stalls and in the absence of ~~an organized~~ a better way of spending such revenue, a considerable portion of it is spent for the ordinary purposes of Administration: Financially the only sound way of spending such moneys is on Productive Public Works and Railways. Although in Mysore the era of Railway building has long ago Come to a Standstill, the Central Govt ~~may well undertake such as~~ Cannot find a better way of spending such revenue than in opening Railways — So that Mysore may not Continue as at ~~the least~~ to be ~~protection~~ railways at least

NOTE—Contn. sheet.

GPB—65,000—17-6-12

R. S. 12]

General and Revenue Secretariat. | KB File No. 21 of 1911—12

Serial No.	
312	~~one~~ on the same Scale as British Indra

~~It is feared that with its extensive programme of Public works~~ in some quarters

To the objection that the Govt which has embarked on very costly P. W. projects cannot find funds for building Railways, it may be stated that if necessary the Govt may borrow money repay ~~at leisure~~ later on, that so long as ~~one~~ we are backward in the matter of Railways as compared with British India, and are in receipt of a large portion of its revenue every year, ~~there is~~ the best thing that can be done is to spend such moneys on railways.

KB 18/VII

Pp. 71

20) If the Dist Board does something the way of raising capital Govt may consider the possibility of advancing the balance. Upto this time the Dist Board does not seem to have done anything in that direction.

71) The amount required for a line from |

NOTE—Contn. sheet.

G. R. S. 12]

General and Revenue Secretariat. | 46 File No. 21 of 1911-12

Serial No.

Chickjajur to Chitaldrug is said in the D.P.W. Secy's note to be 10½ lakhs. This is the cost of a metre gauge line and the line should certainly be metre gauge and not 2'6" gauge as contemplated by the Board. In their hurry to get the Railway, the Board and the Dy. Commr. have not realized that the line from Chickjajur to Chitaldrug and Hiriyur must ultimately join Rayadurg and form a through chord and a toy railway even a mean of gauge would be most undesirable. Railway development may be slow but it must be on right lines as mistakes once made are difficult to rectify.

72) Of course it would be a good thing to have a line from Chick Jajur to Chitaldrug and thence on to Hiriyur. But that is a matter of about 25 lakhs. If the Dist Board can raise about half of this sum by the issue of debentures, the question of advancing the other half and completing the whole line can be considered by Govt. The initial cost cannot be reduced by adopting a narrower gauge as that would be wrong policy for a line which must ultimately become a through chord.

73) If the Dist Board cannot raise 12 lakhs

NOTE—Contn. she

GPB—65,000—17-9-12.

G. R. S. 12]

General and Revenue Secretariat. | LB File No. 21 of 1911-12

Serial No.

let them raise atleast 5 lakhs and then the question of chickpapur-chitaldrug portion only may be considered, the extension to Harigur being dropped for the present as suggested by the Railways Secretary.....

(4) The idea of govt. advancing a part of the money and the Dist. Board afterwards repaying it by the gradual issue of debentures is financially acceptable in the circumstance of the country. When work begins and the line is a tangible thing capital may more readily flow in. There is therefore something to be said in favour of a govt advance which may be afterwards repaid by the issue of debentures by the Board. At the same time if govt advances the whole money all local incentive to raise capital will be gone. For these reasons the arrangement suggested above viz. govt advancing half the capital after the Board has raised half seems desirable. In this arrangement there would be a reasonable chance of the undertaking being ultimately financed by private capital which would be absent in direct State construction. For various reasons it is desirable to let our local bodies borrow for useful work as far as practicable.

NOTE—Contn. sheet.

GPB—65,000—17-5-12.

[G. R. S. 12]

General and Revenue Secretariat. | KB File No. 21 of 1911-12

Serial No.

75) As regards guaranteeing interest I think nothing short of a general half-anna cess will be found satisfactory. The cess should go to the Board ear-marked for Railway develpm and may enable the Board to undertake gradually a satisfactory scheme of District Railways.

M
25/9/12

(sd W)

76) Submitted with reference to the Dewan's note dated 6th Sept 12 on page 33 of these notes

KPG
27.9.12

See 4) Sd
28.9.

77) Dewan

through 2nd Counselor

Sd
5/10 Sd
C.10.12

Railway File No. 80 dated 23rd December 1912. 43

SUBJECT :- Construction of the Chick-Jajur -Chittaldrug Railway.

Submission Note dated 31st December 1912. to His Highness.

****

The Railway Secretary's report contains all the information necessary for obtaining sanction to the construction of the Chickjajur-Chitaldrug Railway.

2. The proposals for which sanction is asked for are contained in paragraph 5 of the Railway Secretary's Note, Viz.

(i) to forward the project to the Residency for obtaining the early sanction of the Government of India,

and (ii) to ask the President of the District Board, Chitaldrug, to submit proposals for financing the scheme as far as possible from the District itself.

3. It is necessary to build this line on the metre gauge so that future extensions may be linked up with the Bellary-Rayadrug line at one end and the main line in the direction of Bangalore somewhere between Tumkur and Gubbi.

4. Although the sanction of the Government of India may be at once applied for, the work need not be commenced until the District Board give an assurance that a substantial

share

878

31. 12. 12.

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.

Proposals for the construction of a metre gauge railway line from Chickjajur to Chitaldrug.

Approved.

Itd. K.R.W.

4/1/13.

Secretary for Railways.

Itd. M.V.

4-1-13.

6449
5304

313

J. R. S. 12]

General and Revenue Secretariat.

K/5 File No. 21 of 1911-12

Serial No.

81) Draft on the lines indicated in the note submitted to His Highness is put up for orders

82) Orders are solicited on the Deputy Commissioners DO dated 8th September 1912

KP 92

6th Feb 1913

83) Draft may be approved

84) No orders are at present called for as the proposed draft includes a request to the D/Commrs to submit definite proposals in Consultation with the District Board for financing the Scheme.

YY 9/2/13

D/Secy

85) Draft in accordance with the Diwan's orders Subject to Note is put up for approval.

86) The reference to the Govt of India about sanction to the Railway Line will presumably be made by the Railway Secy,

Please see minutes flead above.

Govt Counsellor through Secy

Damages Law

BB 9/2/13

87) Draft appd by Govt Counsellor

8/2/13

R. S. 12]

General and Revenue Secretariat.

LB File No. 21 of 1911-12

Serial No.	
11	7 (89) The Dy Commr & Presdt. Dt. Bd. Chitaldrug to Secretary for Railways. No. 6389-90 d 21.2.13 States that the metre gauge line between Chickjajur & Chitaldrug can not be taken on hand unless a substantial share of the Capital cost & the recurring charges are borne by the Dt. Funds and calls for proposals for financing the scheme.
	From
12	90 The Dy Commr. Chitaldrug Dt. No. 464-5 dated 24.5.13

Submits a memorandum in the matter of Railway extension in the Chitaldrug Dt with a copy of the District Board's resolution in the matter.

The points on which orders are required are enumerated in para 25 of the Dy. Commrs memorandum.

(1) The Dy Commr points out that the realizations from the levy of Railway Cess at 3 pies in the rupee will not be sufficient to make provision for a Sinking fund and for payment of the interest on the Capital required for Railways in the District. Hence it is requested that power may be taken for empowering the Dt. Bd. to levy Railway Cess at a rate not exceeding one anna in the rupee

NOTE—Contn. sheet.

GIP—65,000—17-6-12.

General and Revenue Secretariat.

L/B File No. 2 of 1911-12

Serial

The maximum rate of Railway cess that is being levied in other parts of India is only 3 pies in the Rupee. ~~Draft bill~~ The bill for amending the Act is required so as to authorize the levy of 3 pies in the rupee is now before the Legislative Council

(4) Paras 2, 3, & 4 are for the Railway Secrett to deal.

(5) It is understood from the memo that not more than 3 lakhs of Rs could be raised locally by floating debentures. The Dy Commr suggests that 3 lakhs of Rs should be given as a free grant from State funds and the balance required for Railway extension should be advanced by Government as a loan. The pecuniary assistance that Govt would give depends upon the amount that may be absolutely necessary at present and upon the finances of the State and the relative importance of this project in comparison with others that Govt have already taken up and propose to take up in the near future.

(6) Permission to issue a prospectus is a matter which has to be disposed immediately for reasons given by the Dy Commr

NOTE—Contn. sheet.

GIP—65,000—17-6-12.

7315

47

G. R. S. 12]

General and Revenue Secretariat.

LB File No. 21 of 1911—12

Serial No.

93 Kuda for orders

Kr-7/5

28.5.13

94) An extract from the Dy Commrs. Memorandum recommending the Enhancement of the proposed Railway Cess. from 3 pies to one anna maybe sent to Branch III as the bill is under the Consideration of the Legislative Council.

95) In regard to the financial help to be given to the District Board, nothing can be definitely promised till questions relating to the Railway Extension from Chitaldrug to Hiriyur and gauge are examined and settled in the Railway Deptt.

96) Form of prospects to be issued by the Distt Board maybe taken up when the main questions are settled.

Office Note assignment subsequent.

Draft 31/5

Depy

30/5/13

97) The Govt have after a comprehensive consideration decided that the line from Chick Gajur to Chitaldrug shall be constructed on the metre gauge. From this detailed standpoint it is obvious that a maximum of 3 pie cess will prove quite inadequate & that it should be fixed at 1 anna. It is very improbable

NOTE—Contn. sheet.

G11—65,000—17-6-12.

R. S. 12

General and Revenue Secretariat.

LB File No. 21 of 1911-12

that narrow gauge will be sanctioned or reconversion even if it should be sanctioned, there would be no harm in taking power to levy the maximum rate one anna per seer it need be. As the 3 pie consideration is pending on the Legislative anvil, this matter may also be referred to the Legislature with the suggestion of the administrative department that the maximum should be fixed at one anna instead of at 3 pies.

98) The other points raised by the Dy. Comm. 2, 3 & 4 will have to be settled in the Railway Dept. primarily. Then the question of issuing the proposed prospectus will have to be settled. A copy of the Dy. Comm. Memo has probably been sent to the Railway Secy. for necessary action, according to the Dy. Comm.'s letter.

Dy. Secy. (Legal Adviser) Dewan

31/5/13

99) Mr. Mackean, the Dy. Comm. of Cuddapah, has made his predecessor Mr. Chaudry, fully conversant with the facts of the Alg. connection between Chitvel & Cuddapah & brought to notice certain facts which escaped the notice of Mr. Chaudry. A three-pie cess per mile per seer will not be any bar as pointed out in the above memorandum. While we are about..

NOTE—Contn. sheet.

GIT—65,000—17-6-12.

R. S. 12]

General and Revenue Secretariat.

File No. 21 of 1911-12

Serial No.

It is best to take power to levy a one-anna cess if need be. As the Bill is to be before the Leg. Council, the proper amendment may be made (101) I am for retaining the under-page only which costs more than the narrow-page. This will pay in the long run.

(102) I wonder if we can connect Shiyali from Hosdurga Road via Hosdurga town, leaving chuk-jagir chitaldrug alone for the present. Beyond this fact until it is under the new Rly. does not seem to me any feasible reason for connecting Chitaldrug with the main-line. A Rly. connection with Harihar is much more important than the proposed chuk-jagir - Chitaldrug connection, in my opinion. This would mean a great saving both in cost & distance. When the time is ripe for laying the Raidrug-Bellary line, we may extend the line from Shiyali to Chitaldrug & on to Raidrug. Just at present, I fail to see the urgency or the importance of the chuk-jagir Chitaldrug line.

NOTE—Contn. sheet.

Well 24/6/13

GII—65,000—17-6-12.

7313

R. S. 12

General and Revenue Secretariat.

d.D File No. 21 of 1911-12

Serial No.

3685
27-6-13

Dewan)

Drugg law 26/6

(103) Forwarded to the Secretary for Rys. for 24 26/6/13
favour of his remarks.

3.7.13.

2105-13 D
7-13

No. 21 Encl. 17 as per list.

(104) Resubmitted to the Dewan of Mysore.

2. The question of levying a railway cess is a matter to be dealt with in the Legislative Department. As already stated in the note on the subject forwarded through the Financial Department, I am of opinion that the adoption of a gauge other than the metre for the extension of Railways in the Chitaldrug District would be a mistake.

3. The Chickjajur-Chitaldrug line was included in the Memorandum on Railways in Mysore issued with Government Order No. 224-30/Rv.F.124-11-12 date 13th November 1911, as one that was necessary to gi railway communication to the District Head Quarters Now the 2nd Council seems to attach secondary importance to this view and considers that a line from Hosdurga Road to Hiriyur is more important.

FIE—Contd. sheet.

GIP—65,000—17-6-1

If, however, funds are forthcoming and Government wa both the extensions taken up, this Department will be prepared to do so. But the fact that the project for the Chickjajur-Chitaldrug line is ready an pending sanction with the Government of India while the other line has yet to be surveyed and estimated for, requires some consideration.

4. (bb) I do not follow the 2nd Councillor's argument that the Hosdurga Road-Hiriyur line would show saving both in cost and distance as compared with Chitaldrug-Chickjajur line.

	Miles
The distance from Hosdurga Road to Hosdurga is	13
and from Hosdurga to Hiriyur	28
Total.	41 Miles

I however attach great importance to the matter of railway communication in the district commanded by the Marikanve lake, and think this is a matter that should be taken up early. In my opin the best way to open up this country would be by a line from Tumkur through Sira to Hiriyur, which wi eventually go through Chitaldrug to Davangere. A glance at the map will shew the great importance o such a chord in not only opening up an important a

Railway Secretariat.
~~Railway Construction~~
Department.

LB File No. 21 of 1911-12

Serial No.

at present not supplied with railway facilities, but also in considerably shortening the journey between Bangalore and via and the Southern Mahratta country.

E. as Acc

Bangalore, Secretary for Railways,
15th July 1913. Government of Mysore.

17

Dewan)

10/ Please see Dewans order on Railway Secretary's note no 133 S. & 30. S. 13.

P-10

153

G. R. S. 12]

General and Revenue Secretariat.

File No. 24 of 1914-2

Serial No.

From the Secy for Railway - no. 1454 of 5.5.14 forwards for further action his Office note no. 273 of 9-2-14 regarding the construction of the Chhikjajan - Chhitabarg Railway with the Dewans orders thereon -

1014. 3 Extracts as specified below from the Ry. File (88-1913) with which the above note has been received has been taken & put up :-

(1) Letter from the Resdency no. 854 of 4-2-14 Conveying Sanction of Govt of India.

Encl. attested Copies.

(2) Copy of note no. 273 of 9.2.14 ref. to above &

(3) Copy of the Dewans orders on the above.

100 2. Draft Subd in accordance with the Dewan's orders.

113. The Ry. File may be returned with the intimation that the necessary action is being taken separately.

Encl. After the draft is issued attested Copies are secured from.

DC 33 Draft submitted for orders

9/5/14

B.S. 10/5 Dr Lee 4/

Bm 13/5

13 Approved

Lee 14/5

114 Issued Bm 14/5

NOTE—Contn. sheet.

GPB—60,000—7-11-13

(C. R. S. 12]

General and Revenue Secretariat | Ks File No. 21 of 1914-2

Serial No.

14 (11-6) The Dy Comm of Chitaldrug No 1147/9 2 16.5.14 Intimates that Govt of India have sanctioned the construction of a metre guage railway line from Chick Jajur to Chitaldrug and requests him to report to what extent the scheme can be financed by the Dt Bd.

(11-8) Draft returned w the Railway Sect file is put up for approval as per instructions in para 3 Supra.

KPR 1.6.14

(11-9) Returned

BK

15 (11-8) To the Secy for Railways No 12605 & 13-6-14.

Returns one reg. Sect. file for and states that needful action is being taken separately regarding the financing of the Scheme.

From

(11-9) The Secretary for Railways No. 22 dated 18th inst, 1

Enquires how the question of financin the Chick Jajur - Chitaldrug Railway Stan at present

16. (11-10) From The Deputy Comm Chitaldrug No: 20-3-7-14 Forwards an extract from the proceedings of the Dt Bd of Chitaldrug

NOTE—Contn. shee

GPB—60,000—7-11-13

G. R. S. 12]

167

(55

General and Revenue Secretariat.

LB File No. 21 of 1914-1/2

Serial No.

~~Resolution~~ to Govt. either that the DB Can finance only a narrow gauge Railway from Chitalong to Chickajuri.

(2) The District Board seem to think that the rules laid down in Govt Notn no. 4932-81 ? 7 16313-1 Dated 22nd April 1914 are not applicable to projects Concerning railway lines of the metre gauge. They are informed that the Concessions Contemplated in the above rules will also be extended to projects of metre gauge and enquiry made as to the extent to which it may be possible to raise funds for the line. Submitted for orders.

KP 8.7.14

(3) May the Secretary for Railways be also informed that the matter is under correspondence between the Office of the Dy Comm of Chitalong.

Bee

(4) Draft stating that the rules will be applied in the case of local lines of the metre gauge also and enquiring if the DB can now undertake to finance a metre gauge line.

(5) Submitted with draft

KP 82

23.7.14

Bee 24/7.

Draft dd 21-11 sent with U.O. to the Ry Deptt 24 July 1914 No 5D/5 as requested for as ordered by the Govt Secy

KP 24.7.14

The original for which was a line of the metre gauge in reference was issued to the DB under U.O. dated 24/7/14

NOTE—Contn. sheet

G. R. S. 12]

167

General and Revenue Secretariat. LB File No. 21 of 191/-12 [illegible]

Serial No.

WP

The resolution of the Board seems to imply that they are able to finance a 2ft 6... mas. line and use a metre gauge. I believe the metre gauge was adopted in view of the line being extended & connected with Lucknow. Considering the other railway developments we have on hand it is doubtful whether we may be able to find funds for this long line for some years more. A metre-gauge line will not pay - Perhaps it may be desirable to reconsider the point. The Ry Secretary may be consulted

2nd Member 24/7/16

(26) Jer

2717

2717

WP Forwarded unofficially to the Secretary to Govt for Railways for favour of opinion

By order
Assistant Secretary
for Secy

28/7/16

H. O. No. 24 of 1916
8 c. 7. 11.

NOTE—Contn. sheet.

GPB—60,000—7-11-13

157

Railway Secretariat.

LB File No. 21 of 1917-18

Serial No.

U.O.No. 7

Two files

W.D.(F) Returned, with compliments, to the Secretary to Government, General and Revenue Departments.

IV 1/8 pm

2. P.W.D. As it is under contemplation to open up the tract served by the Marikanave Lake by a Railway line running from Tumkur via Sira and on to Chitaldrug and Davangere eventually, and as it is desirable to avoid unnecessary break of gauge, it is inadvisable to adopt 2'-6" gauge for the Chickjajur-Chitaldrug line. There is also a probability of the line from Hiriyur being taken on to Davadrug.

H. Krishnappa

Offg. Secretary for Railways

Government of Mysore.

Bangalore,

12th August 1914.

K P 1/8

G. R. S. 12]

General and Revenue Secretariat. | KB File No. 2 of 1911-12

Serial No. 130

Submitted with the opinion of the Ry Secretary

KP82
1.8.14

Dy Secy 4/

Asst
1/8.

131) Please send the draft suitably embodying the opinion of the Ry Secy

KP
4/8

2
3/8/1 KP 4 8 14

132) Submitted with draft-

KP82
7.8.14.

Dy Secy 4/

Asst
8/8.

133) Draft may be approved

&

Sd/-

Ld Member
Dewan

Asst

134) may be approved. Matter seems preferable & warrant urgent in view of future possibilities

Dewan
11/8

8.8.14
13.8.14

18 Asst

135) Draft approved by Dewan
27.8.14 Dewan

Secy

136) Issue Asst 29/8

NOTE—Contn. sheet.

GPB—10,000—13-6-14

(67)

General and Revenue Secretariat. | L.B File No. 21 of 1911.

Serial No.

17 (137) To Head Dist Board, Chittaldrug.
No 2261 of 31-8-14

With reference to serial 16, states that Govt deem it unadvisable to adopt a narrow gauge of 2'-6" and enquires to what extent can the Dist Bd undertake the financial responsibility of the opening of Rly line between Chittaldrug & Hiriyur

(138) To Hon Secy Ry Deptt
No 2262 & 31. 8. 14

Forwards copy of the above.

From

18 (139) The President Dt Bd Chitaldrug No 1578 dt 23/9
Forwards with reference to the above a copy of the District Board's proceedings considering it unpracticable to raise the required amount by floating debenture and that therefore the sum of 8½ lacs may be advanced as a loan by Govt on the security of six pie Railway cess to be earmarked for ~~meeting the interest and~~ for the repayment of the loan at 4% interest.

(140) The annuity payable to repay a loan of 8½ lacs within a period of 25 years at 4% interest is Rs 54,408 while the income that can be realized by the levy of 6 pie cess (Local Revenue) will be about Rs 29637 or at best 30000. The Dy. Comr. estimates

NOTE—Contn. sheet.

KP 89.
12.12.14
13/10

GPB—60,000—7-11-13

G. R. S. 12]

General and Revenue Secretariat. | LB File No. 21 of 191/-1[illegible]

Serial No.	
Para 19 (Enc to Serial 12)	the income from the 6 pie cess at Rs 40,468... It is not clear how this is arrived at.]
	B.C. 13/10 (141) The cess will be levied not only on land Revenue but on all the items on which the one anna cess is levied. The realisations will amount to about Rs 6 crores (vide Statement flagged A)
	(142) This with the estimated net receipts at 3.1% of the Capital outlay i.e Rs 25,500 will be more than sufficient for repayment of ~~Capital~~ the loan with interest; and will also enable the formation of a depreciation fund.
(Para 3 of Enclosure to Serial 12)	(143) Nil for cities
	Dy Secy 13/10
	(144) It is probable that if a loan is floated and is open to subscription to subscribers all over the State at least half the amount may
	(145) As the rate is very reasonable the people are agreeable to the levy a cess, I think, it may be enacted

NOTE—Contn. sheet.

GPB—30,000—15-9-14

G. R. S. 12] Wyatt

2280 ~~3846~~ (63)

General and Revenue Secretariat.

DB File No. 21 of 1911-2

Serial No.

out of state funds and a considerable
The district is generally backward though
there are some flourishing places like
Davangere in it and its capital is
required for industrial purposes. There
is much want of ready money. The
Financial Secretary may be consulted

A

2nd Member 14/10/14

(140) Yes. Rs may be drawn
under
15/10 Asst 16/10

Khris 5-35
Asst 17/10

78

(167) To Fin Secy

A

16/10. Asst 16/10

Submitted
N. 31 Mrs. Desai)
17/10/14.

dg 19.10.14

AS Fin

(168) Please bring up with a brief
note on points on which final opinion is
reqd. & shall then give instns for
drawing up note

14/10

NOTE—Contn. sheet.

(64

G. R. S. 12]

General and Revenue Secretariat. | LB File No. 21 of 1911-12

Serial No.

149) There are

the possible ways in which the railway may be financed are as follows:—

1. By the Entire money being found by the Govt and given to the D Board as an advance or by constructing the railway as a Govt Railway.

2. By Govt raising a loan for the D Board

3 By the D Board finding ½ the cost viz about four lakhs by itself raising a loan, the other half being found by Govt

~~Course~~ 1 The first course cannot be adopted because Govt can think of finding money for this Venture only after meeting the requirements of Govt undertakings on hand or proposed which expected in the near future, and after meeting the requirements of other D Boards ~~who have~~ which have Earned a claim for preferential treatment by themselves raising a substantial part of the money required for the lines in their D. If the entire money is to be found by Govt the district will have to wait for at least two or three years before Govt can take

150) The second course is not possible now

NOTE—Contn. sheet.

GPB—30,000—15-9-14

Serial No.

5135

as the money market is in a disturbed condition and also because there are other Ventures ~~loans~~ in which Govt is interested on the market, such as the Shemoga Dr Board Ry loan, Share Capital of Cotton Seed oil Comp^y Share capital of Chemical Industries Company and without prejudicing ~~this~~ Govt Council ~~this~~ raise a loan ilsely. The present is not therefore an opportune time for Govt raising a loan.

151) Regarding the third course, if the Dr Board undertake to raise a loan equal to half the estimated Exp^r viz about 4 lakhs Govt may promise to advance the other half and this is the View advocated by Hesketh in para 74 of this file and to this course the Govt may adhere. In para 17 of Mr Mathai's note he states that it is possible to raise three lakhs within the District, and if the loan is ~~open~~ made open to people in other districts also, the a further lakh may come in. Anyhow if the Dr Board want a Railway early, they must be asked to adopt this course.

LB 26-10-12

Hesketh)

152) Lapse.

M 27/10

LB

K.S. 28/10

B-IV)

NOTE—Contn. sheet.

GPB—30,000—15-9-14

2280

166

[R. S. 12]

General and Revenue Secretariat.

LB File No. 21 of 1914-12

Serial No.

153) Submitted with the opinion of the Finl Secretary

KP 82
28.10.14
B
29/10

Dr Secy

Am
29/10

154) Please put up a draft as suggested by the Finl Secy

B
28/10/14 Am

155) Draft Submitted for orders

KP 82
30.10.14
B
31/10.

Dr Secy

Am
31/10

156) Please put up a clean draft & submit to 2nd Member (Council matter)

B
2/11/14 Am

A final note will be put up if the corrections suggested in the draft is approved by the 2nd member

157) A clean draft is put up.

KP 82
3.11.14
B

2nd Member

Am
4/11

Vr
4/11

160) Yes. A draft finl note may be put up for approval

Am
5/11

5/11

Attended to

KP 7.11.14

B

1st Member

NOTE—Contn. sheet.

GPB—30,000—15-9-14

Yes approved

13/11

Am

2280

(67)

G. R. S. 12]

General and Revenue Secretariat.

L/B File No. 251 of 1911-12

Serial No.

(166) Fair copy of the 1st note signed by the Second Member is put up.

13/11/14 Dewan 13.11

25588
14-11-14

(163) Will be circulated after approval of Dewan

13/11

(164) I agree. The file may be circulated.

13.11.14. RC

Chief Secretary 17/11

(165) I agree

22/11/14 Dewan 13/11

(166) I agree too.

11.14. Dewan

30

(A D.S.N. to be put up)

(167) A draft Submission Note is put up

Dewan) Dewan 3/12

3071
3-12-14

(168) The Dewan desires that the file may be brought up at the next meeting of the Council, informally, to consider the question whether narrow gauge would not be more suitable for this line

SDN 8/12

Dewan 8/12

NOTE—Contn. sheet.

GPB—6,000—7-6-12.

2250 (68

[F. R. S. 12]

General and Revenue Secretariat. LB File No. 21 of 1911-12

	Serial No.	
	169	The file may kindly be submitted to D.Govt with a D.S.N.
		to the Dy. Secy. — Date
Attended to		(170) Please put up a revised D.S.N. — Adm 21.12 — 21/12
Under Routine orders (put up)		(See 171) — Adm 24/12.
		(171) A draft Secretariat Note is put up. — Dmcg 26/12
KP 24/12	4010 / 25-1-15	Dsecy

K1321 - 11

Submitted to His Highness.

In January 1913, His Highness was pleased to sanction my recommendation that the Chickjajur-Chitaldrug Railway line be built on the metre gauge so that future extensions might be linked with Royadrug at one end and the main Bangalore-Harihar line at the other. Accordingly, the sanction of the Government of India was obtained for the construction of a metre gauge line at a cost of 8½ lakhs of rupees.

173 2. The District Board was informed that the work would be taken up only if a substantial share of the required capital were raised locally and proposals for financing the project as far as possible by means of funds raised within the District itself were called for.

174 3. The Board considers it possible to finance the construction of a narrow gauge line but expresses its inability to raise locally the entire outlay for a metre gauge line.

175 4. The question whether the proposed railway may not be built on the narrow gauge instead of on the metre gauge was again considered by the Council who are of opinion that a narrow gauge is more suitable and that the estimates may be revised and work carried out accordingly.

176 5. The proposal of the Council may be approved.

M. Visvesvaraya
2nd May 1915

SDR

710

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.

177) Question whether the proposed Chickjapur - Chitaldrug Railway may not be built on the narrow gauge instead of on the metre gauge.

1059

Order.

178) ~~KRW~~
7/5/15

179) Sanctioned
3.5.15
RV

RV 11/5

11/5

General and Revenue Secretariat.

LB File No. 21 of 1911-12

Serial No. (180 Submitted with draft

HL 12-5-15

Hm 15/5

Desd 4)

13/5

(181) Draft may be approved

The Govt of India having sanctioned the construction of the line on the lump sum basis it is necessary to obtain their approval before announcing the change of gauge. Action may be taken in the Ry Secrett. branch the Ry Comrs may if necessary be confidentially informed that Govt are agreeable to the change of gauge & he may proceed with the necessary arrangements for raising the funds

h 21/5

Hm

2 Mr Hunter

Dewan

(182) May be approved

Hm

20/5

h 21/5.

7453

22-5-15

(183)

Draft approved Hm Dewan 21/5

(184) Govt of India file G the Ry Secy G Calls meeting

VRD. 72

General and Reven... Secretariat. | LB File No. 21 of 1911-12

Serial No. 19

To

The President Dt Bd Chitaldroog
" Engineer-in-chief for Railways
" Secy for Railways

WP 9536-8 dt 10.5.15

Directs that the estimates for the Railway line between Chitaldroog and Chickjajur be revised & the line constructed on a narrow gauge and calls upon the Dt Bd of Chitaldroog to finance the revised project. The file has now to be forwarded to the Secretary for Railways as per orders on the last para of the Government Order — Subsk KP

W.D. No. 2368 T. 6.15

4.6.15

Forwarded with Compliments to the Secretary for Railways for taking the necessary action to obtain the sanction of the Govt of India to the proposed change in the gauge

By order

Dy Secy to Govt

Read on 8.6.15

The E.N.C. has been furnished with a copy of the G.O. directing revision of the estimates for 2'-6" loose railways. On receipt of the revised estimates necessary sanction of the Govt of India will be applied for.

Yes JHJ

9.6.15 Secy

NOTE—Contn. sheet.

GPB—25,000—2-11-14

128

Mysore Railway Department.

To the Dewan of Mysore,

For orders.

I beg to submit herewith Residency letter No. 854 dated 4th February 1914 communicating the sanction of the Government of India to the construction of the Chickjajur-Chitaldrug Railway. The question of financing of the Railway is under disposal with Government and until this is settled the sanction now received cannot be acted upon.

I solicit the favour of further orers in the matter.

Sd/. E.A.S. Bell.

Secretary for Railways

Government of Mysore

Bangalore,

9th February 1914.

7559

10-2-14

The attention of the Deputy Commissioner may be invited to the rules recently passed regarding the "Financing of feeder lines in the State" and a report called for from ~~the~~ him as to the extent to which it may be possible to raise funds for the line in accordance with t concessions therein sanctioned. The question may be dealt with in the General Department.

Id/. M.V.

30-4-14.

" C O P I E S "

Offg. Secretary to Govt.

S.R.N.

From

P.B. Warburton, Esq., I.C.S

First Assistant to the Resident in Mysore.

The Dewan of Mysore.

Dated Bangalore 4th February 1914

Sir,

With reference to Mr. Bell's letter No. 774, dated the 29th December 1913, I am directed to convey the sanction of the Government of India to the construction by the Durbar of a line of railway on the metre gauge, from Chikjajur, a station on the Mysore-Haribar main line to Chitaldrug at an estimated cost of Rs. 8,54,082.

2. This sanction is given on the understanding that a further reference will be made to this Residency should it be desired hereafter to construct the extension to Royadrug.

I have, etc.,

Sd/. P.B. Warburton,

First Assistant Resident

Copy

Offg. Secretary to Govt.

No 28
Rev 5
P. 386/

Deputy Commissioner's Office
Chitaldroog District
dated Chitaldroog 16 Feb 1911.

From K Chandy Esqre BA
I.A.S. Deputy Commissioner

To
C.A.B. Alexander Esqre BA
Offg Secretary to the Government
His Highness the Maha Raja Mysore,
General and Revenue Departments
Bangalore

Sir

I have the honor to submit a copy of my letter No 27 dated this day to the Secretary to Railways and its enclosures, in the matter of constructing a railway to Chitaldroog and to request that you will be so good as to move Government to kindly take early action on the points that have to be dealt with in the General Revenue department

2. It is presumed that Sects 2 & 3 have to be dealt with by me in consultation with the Railway Engineer and (4) with the Financial Secretary

3. I request that all the papers may kindly be considered & so that the early orders of Government obtained the question.

I have the honor to be
Sir
Your most obedient Servant.

K Chandy
Deputy Commissioner

PS.

From The Deputy Commissioner Chittagong

To The Secretary to the Govt of Bengal Revenue Department Bengal

Dated 16

Despatched 17 June 1911

Received

General No.

No.

Enclosure No. 5

Forwarding copy of letter to Railway Board re imposition of railway line to Chittagong

GPB—75 reams—25 5 10

Enclosure to
Letter No 98 from the DC
Chitaldroog dated 16th July 1911

No 21
Encl 2

Office of the Deputy Commissioner,
Chitaldroog District.
Dated Chitaldroog, 16th July 1911.
176

From

K. Chandy Esquire B. A.,
Deputy Commissioner,
CHITALDROOG.

To

M. Visvesvariah Esquire B. A., M.I.C.E.,
Secretary for Railways,
BANGALORE.

Sir,

I have the honor to submit a copy of the resolution of the Chitaldrug District Board in the matter of extending the railway to Chitaldrug and also a note on the proposed scheme.

I request that the early orders of Government may ~~kin~~ kindly be obtained on the several points urged in the resolution and the note. The main points are summarised below:-

(1) The cost of constructing a railway to connect Chital with the Southern Maharatta Railway may kindly be investigated If a metre gauge line is considered to be too costly, only Light Railway need be investigated

(2) Rules may be framed for legalising the imposition railway cess not exceeding 3 pies in the rupee for guarante interest on the capital outlay. As submitted in the note urged again that as our Boards are much poorer than Boards

British India, and as the railway will benefit all classes, the commercial classes that contribute to Forests, Excise etc being benefited even more than the Agricultural, the cess may kindly be allowed to be levied on all ~~matters~~ items of revenue that now pay the one anna cess.

(3) If the construction of the line to Chitaldrug is approved of the establishment of a Railway Toll Gate at Chitaldrug may kindly be sanctioned. After the principle of establishing Railway Tolls is accepted by Government, detailed proposals will be submitted for sanction.

(4) Steps may kindly be taken for financing the proposed line and rules framed for guaranteeing interest on the proposed loan.

3 I request that you will kindly move Government to take early action in the matter. I submit that the principles of action can be settled at once, and need not be delayed till the detailed investigation of cost and returns is completed.

I have the honor tobe,

Sir,

Your most obedient servant,

(Signed) H.L. Chaundy

Deputy Commissioner

C H I T A L D R O

Copy

H Chaundy

Dy Comr

Chitaldroog

S 7 Jun 1911 / 4

RESOLUTION OF THE DISTRICT BOARD ON THE EXTENSION OF RAILWAY TO CHITALDROOG (VIDE DASARA SUBJECT NO.29 OF 1910).

Enc to Lr 23 1-11-11

(1) That the District Board accept the principle of levying a Railway Cess not exceeding 3 pies in the rupee on the Land Revenue to be utilised solely for Railway extension.

(2) That Government be requested to investigate and forward to the District Board a scheme for opening (1) a metre gauge and (2) a Light Railway for connecting Chitaldrug with the Southern Maharatta Railway. The Board thinks that a line from Chitaldrug to Chickjajur will be cheapest. (3) That as a 3 pie cess will bring in only a revenue of about Rs 14,000 per annum Government be requested to sanction the establishment of a toll gate at Chitaldroog, the income of which will go to augment the cess. (4) Presuming that it is absolutely safe to consider that the Railway will pay from the beginning a return of 1½% an extra income of Rs15,000/- will guarantee a loan of 6 lakhs at 4%. As this will thus be quite a safe investment, Government in the Public Works Department may be requested to lend this amount or issue debenture loans as it is understood that the cost of the Railway will not exceed six lakhs--the length being about 20 miles.

President D.B.

1 Jun 1911

Note, 1914.
on Railway Collision
by H Hamber which he was
D. C., Christchurch

Encl to CB 21-11-1 (5

NOTE ON THE RAILWAY EXTENSION WITH SPECIAL REFERENCE TO THE PROPOSED CHICKJAJUR-CHITALDRUG LINE.

The economical advantages of Railway extension are now well understood and need not be discussed in detail. In this District, the steadily rising commercial activity and wealth of Davanagere town, and the greatly improved material condition of the Davanagere and Holalkere Talukas, as is evidenced from the Re-survey reports of these talukas are almost entirely due to the Railway running through the talukas. For the economic development of a backward and sparsely populated District like Chitaldrug, Railway extension appears to be one of the best methods that can be adopted. The net earnings of a Railway do not afford any adequate idea of the benefits that a Railway will confer. New industries are likely to spring up, e. g., cotton ginning and pressing in Chitaldrug, agricultural and industrial products will earn better prices, crude medieval ideas that retard progress will slowly but steadily disappear and the material and moral condition of the people will greatly improve.

Special Training

2. Several Districts are taking up the question of Railway extension. The line from Bowringpet to Kolar has been sanctioned. Lines from Chickjajur to Chitaldrug, Kadur to Chickmagalur, Tumkur to Sira and Arsikere to Hassan and on to Mysore are other proposed lines. In the event of these schemes being sanctioned there is scope for a local Railway Board being constituted and the lines may well be run by indigenous agency. This will be very valuable training that will enable the Government to take upon itself the management of the Southern Mahratta Railway inside the State, when the present lease expires in 1936.

3. These lines have hitherto not been taken up probably for want of funds, and as the question of returns has not been thoroughly investigated. From the knowledge that we have of the country through which these lines will pass, it appears to be quite safe to estimate that the lines, if built as Light Railways, that cost from Rs 20,000 to 30,000 a mile will not possibly pay less than 2%. It is an absolutely safe estimate to put down the return from the 1st year at

Financing

4. Now, it is the experience of all District Officers that the ryots generally are keen about Railway extension and are prepared to make a small and inappreciable sacrifice for it. It is therefore easy to convince District Boards that, as indicated in para 1, the economic advantages of a Railway in the District far out-reich the immediate financial return and that it is worth while to have a line, even though it may not at once give a return of 4%. My own conviction is that a light Railway constructed with economy along inhabited trade routes is sure pay more than 4% from the beginning or after a few years. Presuming however, that a line will not pay more than 2% or even 1½ % for some years, if the District Board is prepared to Guarantee the remaining 2½ % to make up a total return of 4% the construction of the lines by borrowed capital becomes feasible.

Railway Cess.

5. The method of financing recommended by the Government of India is the imposition of a Railway cess. The Madras Government has authorised District Boards to levy a cess not exceeding 3 pies in the rupee (vide Railway cess file in the Secretariat) on the land Revenue for construction of Railways. The precautions taken are that the Board should meet specially for considering the question, that not less than 75% of the

members should vote for the cess and that the resolution should be ratified by a similar majority at a subsequent meeting held after six months." Similar rules may be introduced here, but I think that an interval of 3 months will suffice. (Please see also

6. District Board Railways are being constructed in British India either from funds at the disposal of the Boards (including what is realized from the cess) or by borrowed capital for repaying which, the cess is set apart. As our District Boards are very much poorer, it is not possible for them to provide funds for the capital outlay. Should lines constructed out of borrowed capital begin to pay 4% or more, the Railway cess and the excess earnings may be utilised for repaying the borrowed capital.

Government to lend or borrow money for District Boards.

Where District Boards are able to guarantee interest, it is safe, and I think prudent, for Government to finance the Railways. The figures submitted by the District Board may be scrutinised carefully to see whether the Railway cess and other sources, if any, (vide below para 13) are sufficient to guarantee a return on the capital outlay of not less than 3½ % presuming that the line itself will certainly pay 1½ %. Lines which are not likely to pay 2% (to make a quite safe 1½ %) need not be considered. If the figures show that the interest is quite safe Government will be helping economic development by either lending the money, or issuing debenture loans for the capital expenditure.

Investment safe.

8. As District Boards could not, under the present rules, incur one anna of expenditure without the sanction of Government, if certain sources of revenue are pointed out, and earmarked for interest, investment of money by Government on District Board

Railways will be quite safe. Such of the Railways that begin to pay 4% or more by traffic, can be directed to repay the loan from the cess, if necessary, even in the case of those that may not pay 4% by traffic, as the rate of interest is guaranteed, Government may, if necessary, buy up Railways, which will be to Government a paying concern returning 4% interest, or it can be bought up by the debenture holders without any loss to them! (vide below)

Loan or Debenture by Government

Even if Government may not have funds to invest on such Railways, they can easily raise money in the open market at 4%. As our District Boards are poor and have not much outside credit, and as under the rules, they are completely under the control of Government and as money in the Districts usually fetches 9 to 12 % interest, and the investing public will have immensely better faith in Government, the borrowing has to be undertaken by Government. Unless Government kindly undertake it, there is no near prospect of most of these lines being started. As the investment is quite safe, and will help the creation of wealth, it is again urged that Government will kindly help District Boards in this matter.

Rules for safeguarding Government interest.

9 Of course, when lending the money, Government can impose such conditions, both about the cess (and other sources of revenue) and about the management of the lines as will absolutely ensure that the lines will be economically run and that the guaranteed interest is available from year to year.

Incidence of taxation;

10 As the District Boards are still in their infancy and cannot absolutely be relied on to represent the people, and may, by reason of "persuasive eloquence" propose what are called "kind

"wild cat schemes", it is necessary to consider how this proposed additional taxation will affect the people. If the Railway passes through ~~the~~ a well populated tract, and taps trade, and from the first year pays 4% or more, the people are not affected, as the cess can then cease, or be utilised for acquiring the railway or for further extension. The result is that there is no additional burden. It is presumed that all the proposed lines, if constructed economically, will come under this category

Government duty to the taxpayer.

As, however, this District is most backward and sparsely populated, it is necessary to consider the aspect of the a line not paying 4 per cent for several years. It has been presumed that no line that will not pay 2% (to make a certain 1½%) will be taken up. It follows that the people will have to bear an extra burden of 2% on the capital outlay!! The incidence of this burden on kandayam paying ryots will not be more than 3 pies on every rupee of assessment, or 2½ annas on every 10 Rs. As this District is generally lightly assessed, this extra burden of 2½ annas in a year on a ryot who pays Rs10 kandayam is of no consequence. I am sure that every ryot can be persuaded to accept this problematical additional taxation. Apart from his sharing in the general benefits of Railway extension, he can make up the extra 2½ annas several times over in the increased comforts and diminished cost of a railway journey as compared to a journey in carts.

Can money be used better? Should whole District be taxed?

12 Two connected questions have to be considered by Government viz (1) whether an extra cess could not be used to better purpose and (2) whether it is fair to tax the whole District for the benefit of one portion of it. As regards the first point, free primary education is another economic asset, but a 3 pie cess will do nothing towards getting it: much larger

sources of revenue will require to be tapped and for a long time this will be confined only to special areas that can afford it. Irrigation is the only other economic benefit that need be considered, but the benefits of tanks are purely local unlike those of a railway. The same principle may be, and is practically being applied for tanks, i. e., where the ryotsholding lands below a proposed tank or anicut guarantee about 4% by additional assessment and contribution, tanks are being constructed: but the system is capable of more scientific precision in working. Thus it is not easy to see any other more "paying" economic good that can be obtained by the people taxing themselves. The 2nd point has to be decided by a consideration of all circumstances in each case. A Railway to Chitaldrug will, for example, benefit all taluks more or less, with the possible exception Molakalmuru: and similarly, one to Sira, all taluks except Pavagada. It is, however very desirable to inculcate the principle of solidarity of interests in this matter, and I do not see any objection, financial or moral, to a whole District taxing itself for a railway to be constructed in one portion of it.

Other Sources of Revenue Railway tolls

13. Reference has been made more than once to sources of revenue other than the 3 pie cess for guaranteeing the interest. This is for two reasons, (1) that some Districts like Chitaldrug may be so poor as not to realise a sufficient income from the cess for guaranteeing even a 20 mile Light Railway. 2ndly, it is well known that the ryotwari classes are, in proportion to their income, more heavily taxed than the trading classes. Of course, the majority of traders also pay Kandayam, but for the additional income that they realise from trade, they pay nothing except a very uncertain and light mohatarfa. As these classes will derive most benefit by railway extension, it is proper

levy a Railway toll on carts. The toll may be established at the terminus to which the line is proposed to be extended. As soon as the construction of the line is decided on, the District Board may be authorised to levy this toll for augmenting its resources. It is not desirable to levy cess on house tax credited to District Boards. as this is paid by Unions, i.e., by those that pay Kandayam already and usually do not get a sufficient return for the additional Union house tax.

Rough calculation for ascertaining each District Board's capacity for Railway extension

14 I hope that the several District Boards will take up the question of Railway extension on the lines indicated. The cost of investigating the projects, will, it is hoped, be borne by Government: but even before the cost is definitely known, it is possible for each District Board to ascertain roughly its capacity for Railway extension. The method proposed is as follows:- Calculate five years average of a 3 pie cess on land revenue proper. As we had recently two bad years. this will be quite a safe average. If the cess should be allowed by Government on all the items ~~noted in the margin~~, 76% of the one anna cess on which is now being credited to District Boards. the average will be appreciably higher. As our Districts are much poorer in land revenue than British Districts-- one taluk in British India often paying as much land revenue as a District in Mysore--it is suggested that railway cess may be allowed on all items now paying cess to District Boards. In fact, as Forest and Excise contractors gain considerable benefit from railways, it will be proper to tax them also, and I do not think that this extra 3 pies will reduce the return from these sources. I hope, that in view of the poverty of our Boards Government will allow the 3 pie cess on all items now paying cess to District Boards and Local Fund General. After calculating the 3 pie cess on the above sources, add the lowest estimated amount realisable from railway tolls and any other sources that may be ear-marked for

Excise
Salt
Forest

railway guarantee. As it is presumed that the railway itself will certainly pay 1½%. the total obtained from the cess and other sources is such as will guarantee the remaining 2½% . The capital outlay that the Board can safely incur is thus forty times the total of the railway cess and other ear-marked sources (100/40=2½). As it is understood that a Light Railway cost between 20.000 and Rs 30.000 a mile ordinarily the capital outlay incurrable devided by 20 or 30 thousand, will give the number of miles that each District Board is able to construct at once. The Executive Engineer could advise the Board whether for any proposed line the cost will be nearer 20 or 30 thousand. The Board will, of course, first take up the extent that is likely to pay on the best and if the District Board constructs only a shorter line than would be safe according to the above calculation, it will be making its position doubly sure. Taking the Chitaldrug District which is one of the poorest, the calculation works out as under:-

(1) Land Revenue cess at 3 pies per rupee—

	(a) on 5 years' average on rental value of all occupied lands including rent from pasture lands and annual produce) under Land Revenue Proper.	(b) on all district Board items	(c) on all cesses items including Forest, Excise and Salt
	13889	14263	20025
(2) Lowest Estimated income from Railway tolls at Chitaldroog	1000	1000	1000
	14889	15263	21025
Capital outlay incurrable	595560	610520	841000

Length possible from 20 to 28 miles

By adopting this rough method of calculation, Boards will know their capacity from the beginning and will not waste time and money in investigating the cost of constructing longer lines than what they can guarantee.

15

Comprehensive plan and future extensions

It is desirable for Railway Secretariat, to get up at once in consultation with the several District Boards, a comprehensive plan of all the railway extensions that may advantageously be taken up during the next twenty or thirty years. Printed copies of such plans showing all proposed lines may be sent to all Boards in order that when they take up the question of constructing any line, it may ~~from~~ one link or loop in the net work that is decided on. After one Board constructs the first bit, and finds it to pay 4% it will be open to the Board with the sanction of the Government to utilise the cess for extending the constructed line in one of the directions as indicated in the railway extension plan. The extension that is likely to pay best will, of course, again be taken up. Thus if the Chitaldrug Board constructs a line from Chickanaur or Sasalu to Chitaldrug and the Tumkur Board from Tumkur to Sira and if both these lines pay 4%, it will be possible to extend the line perhaps, first to Hiriyur and then on to Chitaldrug or Tumkur, thus completing a loop line from Sasalu or Chickanaur to Tumkur as will have been traced in the railway extension plan prepared in the Secretariat. It is necessary from the beginning, that the District Boards should work in co-operation and take up links with a view to ultimate "co-alition". and railway experts will considerably help District Boards by indicating which lines are likely to pay best from the beginning. Of course Government cannot go too fast in spending money for railway extension as Government's credit may get impaired thereby, but it seems to me that where interest is guaranteed an expenditure from capital or borrowing of 60 la

to one crore in the immediate future for railway extension will not be excessive. This will enable the construction of 200 to 400 miles of Light Railway.

Traffic

have no expert knowledge about the method of investigating traffic for railway construction, but I believe that no elaborate investigation is necessary for taking up Light Railways. As accurate statistics are difficult to get, these lines may well be taken up on the well known trade routes without any very detailed investigation about traffic. This point however is one for decision by experts.

The proposed extension to Chitaldrug Guaranteed Income.

17 It will be seen from the Chitaldrug District Board's resolutions that the Board has accepted the principle of a Railway cess and also proposes the establishment of a toll rate at Chitaldrug for augmenting the income. The enclosed statement will show the different amounts realisable from a 3 pie cess., taking the average of 5 years. From the toll at least Rs1,[illegible]/- may be expected. Statement No. 2 shows the total income and expenditure of the District Board for the last five years, from which it will be seen that the Board can safely ear-mark, if necessary, another Rs 2,000/- for railway guarantee contingencies without starving roads and wells. Hence, according to the calculation given above, and without taking into consideration the contingencies guaranteed of 2,000 rupees it is absolutely safe for the Board to borrow money for constructing a line from twenty to twenty eight miles long, and costing from six to eight and a half lakhs (according as cess is calculated on land revenue proper ~~and~~ District Board items or all cessable items) With the expected expansion of cultivation the income from cess and toll will increase and not decrease. But before capital outlay is incurred in construction, District Boards can be required to

apart from the railway cess and tolls which should have been introduced one or two years earlier and from other funds a sufficient reserve to guarantee interest at 4% on the outlay during construction for one year afterwards.

Proposed line Advantages

78 The proposed line, which will connect Chickjajur with Chitaldrug will be 24 miles long. The Executive Engineer of this Division has gone over the ground and marked the line in his topo sheet, which may kindly be sent for, if necessary. The difficulty of a line to Pasalu is that it not safe to take the line below Bheemasamudra tank and to take it above will involve a long detour: similarly two hills have to be crossed, whereas to Chickjajur the levels will be easier. A reference to the topo sheet (Madras survey No. 44) will show that this line will tap several villages, and go near the important villages of Hiregunthanur, Bheemasamudra and Nandavadi. Hâreguntanur is the richest village in the taluk. The question of opening up this tract of country has been under discussion for a long time and the District Board are being repeatedly asked to provide funds to construct a road. A sum of Rs 1,000/- has also been allotted for investigating the scheme. Colonel Grant who resettled the Chitaldrug taluk (para 25 of his report G. P. No.R.3160-2/L.S. 50-05-04 dated 7th September 1904) urges the necessity for opening up this tract: a rough estimate prepared by the Executive Engineer shows that a District Fund Road without bridges will cost nearly Rs50,000/-. The Board can therefore well take credit for this amount out of the expenditure on the Railway as after the Railway is constructed, there will be no necessity for a road. For connecting the bigger villages with the line, the present cart tracks can be improved without appreciable cost.

As stated above, a railway to Chitaldrug will con-

considerably improve the economic condition of the District. There is already in Chitaldrug town, a proposal to establish a ginning factory. If the railway is sanctioned, this will be established and in this and other ways, the town of Chitaldrug will improve. Agriculture and industries in the District will also improve. The ultimate plan is to extend the line to Hiriyur and on to Tumkur via Sira which is a trade route. This line, when completed, will develop the lands below the Marikanve Lake. (Please see note)

As there are no roads between Chitaldrug and Chickjajur, it is difficult to estimate the likely traffic correctly or ascertain the approximate return: but, I hope it can be proved that this line will certainly pay 3% from the beginning and probably 4%

Request investigation.

It is accordingly requested that the cost of constructing a line to connect Chitaldrug with the Southern Mahratta Railway may kindly be investigated by Government as a first step towards realising the long cherished hopes of the citizens to have a railway to Chitaldrug. The other matters referred to in this note may also kindly be taken up early for consideration.

K Kuriady

(Note. As the question of the development of Marikanve is also before Government, I may suggest that taxing the Marikanve lands heavier, and utilising the extra ~~[illegible]~~ tax solely for guaranteeing interest on a railway, will bring the railway much sooner. Here, again, the extra taxation will be several times repaid by diminished cost of transport, increase in prices etc., If the line up to Chitaldrug is sanctioned on the "cess principle" it may be possible very soon to extend it to Marikanve on the tax principle, particularly if a larger area is

trict Board of Ahtalavaval during the last 5 Years:—

Expenditure

	Civil charges	Reserve	Amount left for flexible charges such as works to be executed by the Rly Deptt. etc, at the disposal of the Bd	Total	Remarks
	18345	19482	16521	82733	There is a difference of 2421/- under the head between the figures of this statement & that prepared in the Rly Department. This is due to the fact that the former is based upon the actuals while the latter on demand for the respective year
	22119	19678	14149	84669	
	24597	18669	13172	85292	
5	28557	22739	8846	84827	
9	25533	35657	2500	89739	
96	119151	116225	55188	427260	
39	23830	23245	11038	85452	

K. Ramudu

President of the
District Board
Ahtalavaval

No V//

Statement showing the Income and Expenditure of the [illegible]

Income

Year.	Opening balance	76 per cent of one anna Cess.	Other items	Total	Works charged [illegible]
1906-1907	29363	40709	12661	82733	[illegible]
1907-1908	19482	40922	24265	84669	287
1908-1909	19678	39626	25988	85292	288
1909-1910	18669	43439	22719	84827	246
1910-1911	22739	45000	22000	89739	260
Total	109931	209696	107633	427260	136
Average.	21986	41939	21527	85452	27

Thirtalrao
Dated 16th [illegible]

GPB—1,000—19-7-13

(20

Extract from the Proceedings of the 341st Meeting of the Council of His Highness the Maharaja, held at Bangalore on the 12th December 1914.

5. SUBJECT. - (Clause viii of the Schedule).

Question whether the proposed Railway from Chickjajur to Chitaldrug may not be built on a narrow gauge instead of on the metre gauge.

OPINION OF THE COUNCIL.

Narrow gauge is more suitable and may be adopted. The estimates may be revised and work carried out accordingly.

(Sd). M. Visvesvaraya,
Dewan of Mysore.

Extract

D. M. Narasinga Rao
Offg. Secretary to Govt.

No 226 D 500

Deputy Commissioner's Office,
Chitaldrug District
Dated Chitaldrug 27 November 1911

(21)

1911-1912
SEC. 10.
FILE No. 21-11
SERIAL No.

From

K. Chandy Esquire, B. A.,
Deputy Commissioner,
Chitaldrug District.

To

C. S. Balasundram Iyer, Esquire, B. A.,
Offg: Secretary to the Government of
H. H. the Maharaja of Mysore,
General and Revenue Departments,
Bangalore.

Sir,

Adverting to para 7 of Government Proceedings No. 224-30/Rg. F. 124-11-2 dated the 13th November 1911, passing orders on a programme of Railway construction in Mysore, I have the honor to request to be informed whether the 3 pie cess referred to in the enclosure to my letter No. 28 dated 17th July 1911 may be levied from the current year, and to request that orders may kindly be issued early on the point. The earlier the cess is levied, the better will be the ondition of the District Board's guaranteed. (Serial 1)

I have the honor to be,
Sir,
Your most obedient Servant,

K. Chandy

Deputy Commissioner,
Chitaldrug District

DIARY No. 3602

1911-1912

SECTION 28

FILE No. 21-1

SERIAL No. 3

(22

No 281-2
Sr 3

Office of the Deputy Commissioner,
Chitaldroog District.
Dated Chitaldroog, 4th January 1912.

6

From

K. Chandy Esquire B. A.,
Deputy Commissioner.
C H I T A L D R O O G

To

C. S. Balasundaram Iyer Esquire B. A.
Officiating Secretary to the Government of
His Highness the Maharaja of Mysore.
General and Revenue Departments.
B A N G A L O R E.

Sir,

Adverting to Government Proceedings No. 224-30/Ry.F.124-11-12 dated the 13th November 1911 conveying sanction to the survey of a railway line from Chickjajur to Chitaldroog (among other lines), I have the honor to submit herewith a copy of the resolution of the District Board meeting held on the 22nd December 1911. The Board wish to convey their thanks to Government for having so readily sanctioned the opening of the line from Chickjajur to Chitaldroog. The Board pray that permission may be granted to levy the three pie cess from the year 1912-13 and the Board believe that the funds for the construction of the line will be lent by Government on the guarantee of the cess.

2. I am glad to report that the Chitaldroog District Board have now taken an important step forward in railway extension by proposing the extension of the line up to Hiriyur as suggested in paras 15 and 18 of my note on Railway Extension

3. At the conclusion of the above note dated 15th July 1911, I have stated as follows:- " As the question of the development of Marikanve is also before Government, I may suggest that taxing

the Marikanve lands heavier, and utilising the extra tax solely for guaranteeing interest on a railway will bring the railway much sooner. Here again, the extra taxation will be several times repaid by diminished cost of transport, increase in prices etc.. If the line up to Chitaldroog is sanctioned on the cess principle, it may be possible very soon to extend it to Marikanve on the tax principle, particularly if a larger area is brought under cultivation after constructing the High Level Channel. I shall elaborate proposals after orders are passed on this reference". As the Railway line has now been kindly sanctioned up to Chitaldroog and the construction of the High Level Channel is also proposed to be taken up, the question of extending the line up to Hiriyur is mature for consideration. It may not be possible to guarantee interest on this line solely by increased taxation and ~~xxxx~~ unless the people of the Hiriyur Taluk evince a great anxiety for the construction of the line, the question could not be taken up immediately. I am glad to report, therefore, that the inhabitants of Hiriyur are fully alive to these considerations, that the Taluk Board have unanimously proposed the levy of a one anna cess for railway guarantee, and that the leading ryots who have been consulted, are quite willing to pay this cess for getting the Railway soon. This is not strange as this Taluk is famous for its cotton which according to recent expert opinion, is the best in Mysore and wants only an outlet for expansion of cultivation and increase in price and as the lands under Marikanve urgently require a railway for their development.

4. While it is a mistake to construct a railway merely for opening out a dry country, to bring a railway near a big irrigation Project like the Marikanve will improve the percentage of return of both the project and the Railway. Foreign capital and labour will be attracted and with a railway within 12 miles, the power running to waste at the Dam can be harnessed for industrial purposes. It may therefore confidently be expected that this

line will pay fairly well from the beginning and will steadily improve in its percentage of return. In fact when the construction of the High Level Channel is sanctioned the extension of the railway line up to Hiriyur becomes an act of prudent statesmanship. The length from Chitaldroog to Hiriyur being 24 miles, the capital outlay will be about 6 lakhs at Rs 25,000 a mile. Out of the one anna cess promised by the Hiriyur Taluk Board, 3 pies is already marked for the Chitaldroog line. The remaining 9 pies on the present sources of income will bring in a return of 1.16% as per statement I enclosed. As the Railway itself will give at least 1½% and probably 2%, the percentage of return will be probably over 3% from the very first year.

5. Within 3 or 4 years after the High Level Channel is constructed, it is expected that all the 10,000 acres that are proposed to be included in blocks will be taken up. If the survey of the railway line is sanctioned, the lands will be taken up much sooner than would otherwise be the case. From this source an extra income of over Rs 3,000 can be expected ($\frac{10,000 \times 5}{16}$ = Rs 3,125.) This one anna cess may be levied from the beginning, even though full assessment may be recoverable in 2 or 3 years. Besides, from the cess on acreage contribution and auction sale of the wet and dry lands under the new High Level Channel an income of 12 to 15 thousand rupees may be expected, spread over 3 or 4 years. From this one anna cess itself, therefore, the line will probably pay the 2½% that is necessary as per para 7 of my note, so that the total return including that from the line itself will probably not be less than 4% .

6. As the development of Marikanve is of primary importance to the State, it will not therefore be unsafe to sanction the construction of the line, merely on the guarantee of the one anna cess promised by the Hiriyur Taluk Board.

7. The following considerations have, however, to be borne in mind. Although the Taluk Board have agreed to pay a one anna

cess it is necessary that this tax should be levied only for as short a time as possible, and should then be reduced to three pies.

8. The Government have even a greater financial interest in bringing the railway up to Hiriyur than the District Board, as Government are already in possession of the Marikanve asset, for whose development railway extension is the best method.

9. It is therefore proposed to tax the lands that will be newly irrigated at 8 annas an acre more than the lands under the old channels. that is at Rs 5-8-0 an acre and to utilise this extra assessment for further guaranteeing the railway outlay. While there are practical difficulties about taxing the old wet lands for this purpose, there can be no difficulty in taxing the new lands at Rs 5-8-0 an acre. The persons who will freshly get the water under the High Level Channel will gladly agree (if asked, which of course is unnecessary) to pay 8 annas an acre extra for the benefit of getting a railway. Besides, as under this channel only the best lands will be included in blocks. the average benefit derived from the water for an acre will be more than the average benefit under the old channels.

10. The period of settlement should be so arranged that all the blocks under all the channels should come up simultaneously for revision. At this revision the older lands may also be taxed 8 annas extra.

11. It should be borne in mind that this 8 annas an acre should be recovered as assessment. and not as cess, as otherwise the land owners may imagine that they are overtaxed. whereas Government will be only setting apart a legitimate source of land revenue (due to improved communications) for a special purpose

12. If this proposal is accepted, the income from this source is Rs 5.000/- plus the cess on it of Rs 312-8-0.

13. The total income that may be set apart for railway guarantee

is thus over Rs 15,000 (vide statement I) which works out at 2.50%. For the first few years, besides, the cess on malki, contribution etc will bring in ·70 to ·80 and as the line itself will certainly pay more than 1½%. the total return will be about 5%. The proposed extension from Chitaldroog to Hiriyur may thus be regarded as financially one of the soundest, besides being the best method for developing the Marikanve lands. I am submitting also another statement showing the financial aspect of both the lines together. It will be seen from it that if the cess is sanctioned on all District Board items only, and at the same time tolls are allowed . the percentage of return excluding the income in cess and assessment from the High Level Channels is about 3.72 and that after these lands are also taken up, the absolutely safe minimum return will be about 4.72%. In the years in which these lands are sold &c, the return will be over 5%. The construction of the whole line appears to me, to be, therefore, an absolutely safe investment.

14. In these circumstances, I request that you will kindly move Government to have the whole line surveyed at once from Chickjajur to Hiriyur via Chitaldroog.

15. The remaining points on which orders are solicited as regards the whole question of railway extension are:-

(1) Whether the railway cess at three pies for the District excluding Hiriyur and at one anna for Hiriyur may be collected from the year 1912-1913;

(2) Whether the cess may be levied on all cessable items (vide para 14 of the note as regards the District and enclosed statement as regards Hiriyur Taluk) or only on all District Board items. It is unnecessary to make any distinction between rental value of occupied lands only, and all District Board items, as the difference is small.

(3) Whether if the cess is not allowed on those items that contribute to Local Fund General only and not to the District

Board. viz Forest, Excise and salt, Railway toll gates as proposed in para 13 of the note may be established for augmenting the income. I would urge again that it appears to be legitimate and safe to levy cess on all items that now pay the cess. and that this would be a more satisfactory method than the establishment of Railway toll gates.

16. As a portion of the income proposed to be levied for guaranteeing the interest on the Hiriyur line is now properly a District Board item, as the whole amount for construction is proposed to be lent by Government. as Government have a very much larger interest in developing lands under Marikanve than the District Board, and as the one anna cess promised by the Hiriyur Taluk can be accepted only for a short time, I would submit that the most equitable plan would be for Government to finance and work the Railway themselves for about four or five years. the contribution from the District Board being shown as a contribution and the District Board being freed from all further financial responsibility for this period. At the close of this period, we will know how much the line is paying and the District Board and the Government can decide what portion of the cess should be retained. As soon as the section from Chitaldroog to Hiriyur begins to pay more than 4% Government may direct the one anna cess to be reduced proportionately. Even should the line not pay 4% for some years, if Government should find themselves able to tax all the wet lands an extra 8 annas or more after another five years. that would also be a sufficient reason for reducing the railway cess promised by the Hiriyur Taluk proportionately.

The favor of early orders is solicited.

I have the honor to be,

S I R.

Your most obedient servant,

K Kennedy

Deputy Commissioner.

Chitaldroog District.

S.V.

Note I am addressing this letter to the Railway Secretariat &c

Statement no I

Statement showing the approximate amount realizable in the Hiriyur Taluk for guaranteeing interest on the capital outlay on the Chitaldrug - Hiriyur Light Railway. Capital being put down at six lakhs calculated at Rs 25000 a mile for 24 miles.

Nine-pie cess realizable on the present sources of taxation after paying three pie cess to Chikjajoor-Chitaldrug line out of the one anna cess now proposed to be levied as Railway cess					Additional income expected to be relized from the wet lands under the High level channels.					Grand total (Amount expected to be set apart for guaranteeing interest on six lakhs.)	Percentage on six lakhs.	
on all District Boards items	Percentage on six lakhs	Other cessable items (Forest, Excise and Salt).	Total	Percentage on six lakhs	One anna cess on Rs 50000 realizable on 10000 acres at Rs 5/- per acre	Percentage on Columns 4 & 6	Additional assessment of 8 annas per acre on 10000 acres proposed to be levied.	One anna cess on the additional tax of Rs 5000/-	Total			
1	2	3	4	5	6		7	8	9	10	11	12
5437	.90	1512	6949	1.16	3125 (a)	1.70 (b)	5000	312 (a)	8437	15386 (b)	2.50 (b)	
Minimum return from Railway (vide para 7 of the Railway note on the Chikkajajoor & Chitaldrug line				1.50		1.50					1.50	
Total percentage of return that may be regarded as certain				2.66		3.20						
			cess on contribution and malkai			.79 (b)					4. P.C .7 (b)	

Note (a) As this is a prospective income not included in the figures given for Chikjajoor - Chitaldrug line, the whole income at one anna per rupee is taken credit for the Chitaldrug - Hiriyur line.

(b) About 15000 Rs may be expected spread over 3 or 4 years as cess from sale of lands and acreage contribution after the high level channel is constructed. This will improve the percentage by near .70 to .80 (on 6 six lakhs) in those years.

K Mundy
Deputy Commissioner
Chitaldrug District

Statement no II

Statement Showing the approximate amount realizable for guaranteeing interest on the capital outlay on the entire Lohitjapur-Hiriyur line. Capital taken to be 11 lakhs of rupees for 44 miles at Rs 25000 per mile.

one anna cess on all District Board items in the Hiriyur Taluk and three pie cess on the same in other Talukas. (Add Col 2 in para 14 of Chitaldrug Railway note to Col: 1 of Statement no I)	Income from Railway tolls (proposed in para 13 of the Chitaldrug-Railway note) at Chitaldrug and also at Hiriyur ~~and also~~ (Rs 3000) and Contribution from District Board Rs 2000 (para 17 of note)	Total	percentage on 11 lakhs	one anna cess on all cessable items in the Hiriyur Taluk (Add Col: 3 in para 14 of the Chitaldrug Railway note to Col: 1 of Statement no I) and a three pie cess on the same in other Talukas	percentage on 11 lakhs	prospective income from High level Channels (Col: 9 of Statement no: I)	Grand total	percentage on 11 lakhs
1	2	3	4	5	6	7	8	9
19700	5000	24700	2·22	26974	2·45	8437 (a)	35411	3·22
Add—								
minimum return ~~that~~ may be expected from 1st year (para 7 of the Chitaldrug Railway note)			1·50		1·50			1·50
Total return ~~that~~ may be expected from 1st year			3·72		3·95			4·72 (a)

(a) About 15000 Rs may be expected spread over 3 or 4 years as cess from the sale of land and contribution after the high level channel is constructed. This will improve the percentage by about ·40 to ·50 in those years, the total to over 5 p.c.

R Chandy
Deputy Commissioner

X X X X X

X X X X X

VIII. Read:-

Government order No. 224-30/Ry. 124-11-2 dated 13th November 1911 passing orders on a programme of Railway Construction in Mysore.

Resolutio

That the Boards' thanks be conveyed to Government for having readily sanctioned the opening of the line; it is believed that the funds for construction will be lent by Government on the guarantee of the District Board

2. Resolved also that the meeting accepts the principle of the 3 pie cess and requests that it may be levied from 1912-13.

(b). Read Hiriyur Taluk Amildar's Report No. 734 dated 19 Dec 1911 stating that the Taluk is prepared to one anna cess in the rupee for extending the railway up to Hiriyur.

Resolved that the proposal be submitted to Government for favorable orders and that the whole line from Chickjajur to Hiriyur may be surveyed.

Resolved also that the Taluk Board of Chitaldroog be asked whether the villages in Chitaldroog that will be benefited by the railways will pay cess at one anna.

Mr. Subba Row proposed that one anna cess may be levied throughout the District, but an amendment that the matter be referred to the next meeting after the views of the Taluk Board are obtained, was passed. Mr Subba Row promised to submit a note for the information of the Taluk Board.

(Sd) K. Chandy,

P R E S I D E N T.

" C O P Y ".

K Chandy

Deputy Commissioner,
Chitaldrpog District.

S.V.

No. 304
Encl

Office of the Deputy Commissioner,
Chitaldroog District.

Dated Chitaldroog, 17th January 1912.

DIARY No. 3860

1911-12
SECTION LB
FILE No. 21-11
SERIAL No. 14

From

K. Chandy Esquire B. A.,
Deputy Commissioner,
C h i t a l d r o o g.

To

C. S. Balasundaram Iyer Esquire B. A.,
Officiating Secretary to the Government of
His Highness the Maharaja of Mysore,
General and Revenue Departments,
B a n g a l o r e.

Sir,

(3)

I have the honor to invite your kind reference to my letter No.281-2 of the 6th January 1912, proposing the extension of the Railway up to Hiriyur. In para 9 of the letter, I have submitted that there are practical difficulties about taxing the lands under the Marikanave Low-Level channels, for the railway guarantee. This was chiefly on account of the fact that, at the meeting presided over by the Chief Engineer at Hiriyur, at which the introduction of the Block System was discussed, it was understood that only Rs.5/- an acre would be charged on the lands that would be included within the blocks. As there was then, however, no question of the construction of a Railway, I believe that it will not be ~~incorrect~~ incorrect if Government should now decide on the construction of the Railway and also on that account on assessing the lands within the blocks (formed under the Low-Level channels) at Rs.5-8-0 an acre in consideration of the fact that the means of communication, which is an important factor in taxation, will be materially improved. So far as the land owners are concerned, if it is a choice between having no Railway or

paying 8 annas extra, I understand that they will prefer the latter as being much more advantageous to them. As most of them will be paying a smaller amount for their individual rates (some of their lands now under irrigation being excluded from the proposed blocks), the extra assessment of 8 annas an acre on those lands that may be included within the blocks under the Low-Level channels, will not be felt as a financial burden.

2. I am submitting for the consideration of Government the above aspect of the question at once for the following reasons:-

(1) If Government consider that although the Hiriyur Taluk Board have agreed to pay an one anna cess, it will be invidious to collect the whole of it, Government may in the alternative collect this extra 8 anna taxation. This will give about Rs.3,600/- annually and will enable the one anna cess to be reduced by 6 pies as explained in the appended statement No.III. It will be seen from the statement that a return of 4 per cent on the capital outlay may be regarded as certain, even in these circumstances. The Hiriyur Taluk will then be paying only 6 pies instead of one anna and even this six-pie cess will be capable of reduction after some years.

(2) If the survey of the Railway line up to Hiriyur is sanctioned simultaneously with the construction of the High Level Channels and this extra taxation is also sanctioned, the present is the most suitable time for preparing the ryots for the new rate, as we are now actually engaged in working out the details of the Block System: and there may be administrative convenience in announcing a uniform rate of Rs.5-8-0 for all lands that are included in blocks under all the channels.

3. It may kindly be noted in deciding this question of Railway extension, that the ryots of Hiriyur are very keen about realising the benefits of Railway communication, and will pay either the one anna cess or the additional tax of 8 annas

135

per acre within the block limits. together with a smaller cess of six pies. as may be decided by Government. I hope therefore that the Government will be pleased to pass early and favorable orders on the question.

4. Another point on which instructions are solicited is the following:-

In my letter No11 dated the 11/12th July 1911, I had submitted that by placing the Amildar of Hiriyur and the Assistant Engineer on special duty. the Block System can be introduced sooner than will otherwise be the case. The Executive Engineer. Marikanave, also appeared to be of the same opinion. If the Block System is proposed to be started from 1st July 1912. I would suggest the desirability of the above proposal being given effect to in order that the additional tax may be levied from next year

5. I may kindly be allowed to write about another matter also as it has a bearing on Railway construction. I understand that. on hearing that the Block System is to be introduced under Marikanave. the South India Industrial Com-pany are proposing to approach Government with a request that their lands may also be given some concession on the analogy of the Block System of taxation. As this is a proposal that will entail a loss of revenue of perhaps between ~~Rx~~ 10 and 15 thousand rupees, I would respectfully urge that if the con-struction of the Railway is sanctioned soon, we will be able to stand for better terms than will otherwise be the case. In fact. if there is a guarantee of the Railway running up to Hiriyur, within four or five years, the Industrials may not even press their request. as in that case, their property will increase very greatly in value.

6. In the above circumstances; I request that early sanction may be accorded for surveying the line up to Hiriyur. The sources of revenue that will be set apart for guaranteeing

134

the capital outlay on the Railway, may also be kindly indicated at an early date so that I may announce it to the Boards and ryots and begin collection from next year.

7. It is perhaps necessary to note that as this extra taxation of 8 annas is proposed to be imposed and will willingly be paid, solely on account of Railway extension, it appears to be financially correct to set apart this income solely for Railway guarantee.

8. I am addressing this letter to the Secretary for Railways ------ also.

I have the honor to be.

SIR.

Your most obedient servant,

K Nirandy

Deputy Commissioner,

Chitaldrug District.

S.V.

Statement 2

Statement Shewing the approximate amount realizable for guar

Hiroyur ~~...~~ Capital taken to be eleven lakhs of rupees for about 44

(Presuming that only Sixpie cess will be levied in Hiroyur Taluk, bu

Income realizable on the present sources of taxation in the whole district.					Additional wetlands in Channels.
Sixpie cess on all cessable items in the Hiroyur Taluk plus threepie cess on the same items in other Taluks (vide col 4 of 1/3 alone being taken into account) of Statement nos I plus of 3 of para 14 of the I Railway note.	Eight anna assessment on 7000 acres of land under the Marikanve Low-level Channels excluding the portion in the occupancy of Mr. Arbuthnott to be brought under block system of cultivation	Sixpie cess on additional assessment of Rs 3500/	Total	percentage on the Capital of 11 Lakhs	Sixpie cess on Rs 50000 realizable on 10000 acres @ Rs 5 per acre.
1	2	3	4	5	
22341	35-00	106	25747	2.35	1562
Minimum return from Railway (vide para 7 of the I Railway note)				1.50	
Total percentage of return that may be regarded as certain from the last year				3.85	

Note 2 ~~...~~ If Railway Cess ... irrigated area ... Board items and ex... Tolls established at Chitaldrug and Hiriyur will bring in a ... percentage of return to these figures and even if tolls not ... items are charged with cess, the percentage in Column 11 w... between all cessable items and District Board items bei... Column 3 and 3 of para 14 of Railway note plus $\frac{1}{3}$rd of Colu...

o: III

intering interest on the capital outlay on the entire Chitrapoor (5)

miles at Rs 25000/- per mile

lands under present channels will also be taxed., vide para 2 of letter

income (prospective from the
der the Marikanve high level

	additional assessment of 8 as per acre on 10000 acres (Rs 5000)	Six pie cess on the additional tax of Rs 5000 (Col 7)	Total	Grand Total (Col: 4 plus Col: 9)	Percentage on the Capital outlay of 11 lakhs	Remarks.
	7	8	4	10	11	12
	5000	15:6	6718	32665	3·05	
					1·50	
					4·5·5	

Note 1 About Rs 5000/- may be expected annually spread over 4 years as cess on wetki for the 10.000 acres under the High level channel assuming that about Rs 2 o/- on an average will be realised on each acre either in auction sales or as contribution for the lands already under occupancy. This works out at nearly 50 p.c. and will bring the return to 4 percent and over in the first few years before all the 10000 acres under the High level channel are taken up.

ues on Forest, Excise, and Salt,
fficient income to raise the
established among District Board
be 4 percent, the difference
Rs 6500/- ie (Difference between
w 3 of Statement no: I.)

K Chandy

Deputy Commissioner
Chitaldrug District.

DIARY No. 5062

(36

No 398

1911-12 P2
SECTION 23
FILE No. 21-14
SERIAL No. 5

Office of the Deputy Commissioner,
Chitaldrug District.
Dated Chitaldrug, 9 th March 1912.

From

K. Chandy Esquire B. A.,
Deputy Commissioner,
C h i t a l d r u g.

To

C. S. Balasundaram Iyer Esquire B. A.,
Officiating Secretary to the Government of
His Highness the Maharaja of Mysore,
General and Revenue Departments,
B a n g a l o r e.

D 3602

Sir,

In continuation of my No. 281 dated 6 January 1912 I have the honor to forward herewith a copy of my letter No. 397 dated 9 March 1912 to the Secretary for Railways.

I request that early orders may be passed authorising the levy of the cess from the year 1912-1913

As a metre-guage line is proposed to be constructed, it is requested that cess may be allowed on all items of revenue that now pay a one anna cess.

I have the honor to be,
S I R,
Your most obedient servant,
K. Chandy
Deputy Commissioner,
Chitaldrug District.

S.V.

(37

G.R.S. 26]

File No. 21
Serial No. 11/6

Diary No. of letter replied to 5860 & 3893

No. 6726
LBS 21-11
& 16-3-12

General and Revenue Secretariat
(Ab)
, the 19 .

To
The Deputy Commissioner
Chitaldrug District.

Date of issue 16.3.12.

Signed by W.S.H.

Sir,

With reference to the correspondence ending with your letter no: 398 dated the 9th March 1912 ~~17th January 1912~~ submitting proposals for financing the Scheme for the construction of a ~~Light~~ Railway from Chickjajur to Hiriyur and requesting to be informed whether the in the rupee per Railway cess at three pies ~~for~~

over.

SUBJECT.

W.S.H. 16/3

the whole District excluding the Shiriyur Taluk
and extra local cess at one anna or half anna in the rupee
~~in the~~ Shiriyur Taluk may be collected from
the year 1912–13 and whether
the Ry cess may be levied on all
cessable items or only on all
District Board items, etc &
am directed to inform you
that the proposal to levy
Railway cess on all items
that now contribute one anna cess to the District and Local funds
General.
~~Cess~~ is under consideration, and
~~and~~ that as the levy can not
begin till the L. B. Regulation
is suitably amended to authorise
the levy, ~~and that~~ the passing
of the amend~~ment~~ing Regn which
is engaging the attention
of Government should be awaited.

List of enclosures,

I am also to add
that the proposals to levy to extend the line to Shiriyur and
extra local cess at half anna
or one anna exclusively in the Shiriyur Taluk
and ~~to levy~~ extra assessment
on lands to be included within

Copied by

Examined by

GPB—10,000—28-2-11.

G.R.S. 27

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

(38

the block limits under the Marikamure Reservoir will also be considered and orders in due course communicated later on

I have etc

Ch
12/3/12
for Secy

Encl to Lr 21-11-b (3)

U R G E N T.

No 397

Office of the Deputy Commissioner,
Chitaldrug District.
Dated Chitaldrug, 9th March 1912.

From

K. Chandy Esquire B. A.,
Deputy Commissioner,
C h i t a l d r u g.

To

M. Visvesvariah Esquire B. A., M.I.C.E., C.I.E.,
Secretary to the Government of Mysore for Railways,
B a n g a l o r e.

Sir,

With reference to your memo No. 487 dated 7th instant, forwarding copy of Government Notification No. 485-7/Ry.F.124-11-12 dated 7th March 1912 regarding the acquisition of lands for the construction of a Railway line between Chickjajur and Chitaldrug, I have the honor to state, that I met the Engineer in charge of the Railway survey to-day and in consultation with the leading men have come to an understanding about the route, stations etc. It is proposed to survey for the metre gauge the general sense of the public being that this will be more suitable. In this connection I beg to state that ever since the sanction of the Railway project by Government, the public have been evincing a good deal of earnestness for the early construction of the line and as an instance of their keenness I may be permitted to mention that some of the leading men who own lands on the route have agreed to part with their lands required for the line itself without any compensation. I hope that this spirit will be widely followed by the others and the cost thereby somewhat reduced. In these circumstances I request that a provision may kindly be made betimes, in next year's budget for the capital outlay to be incurred on the line under reference.

2. It is understood that the line as now decided will cost about 10 lakhs, being about 20 miles in length. The levy of a 2 -

Cuttack Liberalising Govt Letter No 1021-41

cess on all cessable items will gurantee interest only on an outlay of 8½ lakhs (vide para 14 of the Railway note, column 3 of statistics); but as the District Board has other resources and as this line is likely to pay more than 1½ per cent even from the first year after construction. it is not necessary to levy more than a 3 pie cess. It is, however, very necessary that cess should be allowed on all cessable items, and not merely on District Board items only.

I have the honor to be,

S i r,

Your most obedient servant,

(Sd) K. Chandy.

Deputy Commissioner.

S.V. Chitaldrug District.

" C O P Y ".

K Chandy

Deputy Commissioner

S.V. Chitaldrug District.

(41

481/Sw 2

Office of the Deputy Commissioner,
Chitaldrug District.
Dated Chitaldrug, 22nd May 1912.

Diary No. 6949

From

K. Chandy Esquire B. A.,
Deputy Commissioner,
Chitaldrug.

19/5/1912
SECTION: LB
P.S. No. 21-11
SERIAL No. 9

To

C. S. Balasundaram Iyer Esquire B. A.,
Officiating Secretary to the Government of
His Highness the Maharaja of Mysore,
General and Revenue Departments,
Bangalore.

S I R,

D3602
Sent 4.0
to Secy Ry Dept
on 4.12

In continuation of correspondence ending with my letter No. 281-2 dated 4th January 1912 in re the Chickjajur-Chitaldrug Light Railway, I have the honor to submit a copy of the resolution passed by the District Board at its meeting of the 15th instant approving of my suggestion to raise the capital required for the Railway by means of a loan from Government which will be repaid in time by raising a debenture loan consisting of two kinds of shares one of Rs 100 and the other of Rs 6-4-0, the Government themselves buying any shares that may not be sold to the public.

2 Mr. Raghavachar, Railway Survey Engineer, who attended the meeting by request explained that the line was expected to cost about 8½ lakhs and to pay about 4½%. As a cess is also proposed to be imposed the loan of the capital required by Government in the first instance appears to be quite safe.

3 As soon as orders are passed sanctioning the construct-ion of the line, I shall take steps to have the debentures issued.

4 A copy of my D.O. to the Dewan dated 20th March 1912,

(42

which, I am informed is also being dealt with in the Secretariat is enclosed for ready reference.

I have the honor to be,

S I R,

Your most obedient servant,

K. Chandy

Deputy Commissioner,

Chitaldrug District.

S.V.

Rg

× × × ×

III Read. Deputy Commissioners' D.O letter of 17.5.1912 to the Dewan of Mysore submitting proposals in the matter of raising in the District itself a portion of the amount required for the construction of — Chick Jajpur - Chitaldrug Railway.

Resolution:- The Board approve of the proposals, and recommend that Government will sanction it.

III (a) Mr Raghavachar who was requested to attend the meeting explained that the line will be about 21 miles in length, and will cost about 8½ lakhs, and that a gross annual return of about 65,000/- and nett return of about ₹ 35,000/ may be expected. The Board wish to thank Mr Raghavachar for the information kindly supplied.

× × × ×

Sd/. K. Chandy.
President.

"Copy"
Illegible
Ag President.

Encls
Serial nos
1 to 2-11

(44

Chitaldroog.

Dated 20th March 1912.

My dear sir,

In the matter of financing the Chickjajur-Chitaldroog Railway. Government have kindly agreed to lend the amount for capital outlay. the District Board guaranteeing only interest.

In the first instance, the money will require to be found by Government: but I think it will be very good if the Railway is ultimately financed in this District. as in this case the very men that pay the 3 pie cess to guarantee interest. will be getting the interest also.

The idea is that while Government will finance construction, the District Board may be allowed to raise a debenture loan for repaying the Government money. Construction should not be delayed till the District Board raises the whole loan. It may never do so, but whatever money it can raise in the District or in the open market, will go to repaying the Government loan and the balance left, may be converted to District Board Railway bonds in the hands of Government.

In order that as large a number of people as possible may benefit in this scheme, and at the same time to enable capitalists to have a safe source of investment, I propose that the bonds should be of two kinds, one of Rs 100 open to the general public, and the other of Rs 6¼ open only to persons paying land revenue. The interest on the former may be made payable at all Treasuries, the interest on the latter will be paid by credit to the bond-holder's khate. As pattas are issuable to hissedars also, these also may buy the second kind of bonds. Thus if a man's khate shows a demand of Rs 10 and he has purchased through the Amildar, 2 Railway shares of 6¼ each. his demand in this District will be as follows:-

	Dr.	Cr.	Dr.
Land Revenue.	Rs 10- 0- 0.		
Local Cess.	0-10- 0.		
Railway cess.	0- 2- 6.		
Total.	10-12- 6.		
Interest at 4% on two shares.		0-8-0.	Net demand Rs 10-

(45

It will be difficult to keep the interest accounts separate, and as this a credit and not a debit, the bonds need not be get mixed up with revenue sales. The advantage of this proposal is that it will enable us to draw into the net of prudential investment, a much larger number of persons than would otherwise come in. and all tax-payers will have a direct interest in the Railway.

I request that you will kindly inform me whether Government will be agreeable to these proposals. If there is no objection, I shall move forward in the matter by having it discussed in the Boards/ etc.

If legislation is necessary. I request that the needful may be done soon.

I am.

Yours sincerely,

K Chandy

To

T. Ananda Row Esquire B. A.. C.I.E.

Dewan of Mysore.

K Chandy

Draft 9.2.13 (46

G.R.S. 28]

File No. 21/11

Serial No. 11

Diary No. of letter replied to 6949

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL AND REVENUE SECRETARIAT.

( )

, *the* 191

READ—

Correspondence ending with letter no: 487 dated the 22nd May 1912 from the Deputy Commissioner and President, District Board Chitaldrug Dist proposing the Construction of a railway line from Chickjajur to Chitaldrug and thence to Hiriyur and forwarding

over.

Paper under disposal.

Date of issue 21-2-13

Signed by Mr DPR

ORDER THEREON. ~~No~~.

SUBJECT.

a Copy of the District Board's
resolution approving of
his suggestion to raise the
Capital required for the Railway
by means of a loan from Government
to be repaid, in due course, by issuing
a debenture loan on certain conditions.
guarantee of 4% interest
out of the realizations from
the proposed Coy
of Railway cess.

Order thereon. 638-40 L 2-11-11 Dy 2-12

Government
think it necessary that the
proposed railway line should,
for the present, Connect Chikaloorg
with Chickjajur and be built
on the metre gauge so that
future extensions may be
linked up with the Bellary-Royadrug
line at one end and
the main line in the
direction of Bangalore somewhere between
Tumkur and Gubbi.

GPB—20,000—2-10-11

(4)

G.R.S. 27]

Please see Statement on page 2.5A of the Office note.

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

2) The work estimated to Cost about Rs 10½ Lakhs Can not however be Commenced until the District Board give an assurance that a Substantial Share of the Capital cost of the line and the entire recurring Charges will be borne by local funds

3) The President is therefore requested to submit, in Consultation with the District Board, definite proposals for financing the Scheme as far as possible from within the district itself.

Draft

Yours &c.

Offg Secretary to Govt Gen'l & Rev Dept

To

The Dy Commr & President Bd. Chitaldrug &c.

" Secretary for Railways Mysore Govt

Office of the Deputy Commissioner,

Chitaldrug District.

Dated Chitaldrug, 24th May 1913.

(48

From

K. Matthan Esquire B. A.,

Offg: Deputy Commissioner,

C h i t a l d r u g.

To

DIARY No. 7313

K. R. Srinivasiengar Esquire M. A.,

Offg: Secretary to the Government of

His Highness the Maharaja of Mysore,

General and Revenue Departments,

B a n g a l o r e.

1911-1912	
SECTION	LB
FILE No.	21-11
SERIAL No.	12.

S I R,

With reference to the correspondence ending with your memo No. 9220/L.B. 42-11 dated 20th May 1913, I have the honor to submit herewith a memorandum on the subject of railway construction in this District, together with a copy of the resolution of the District Board at its meeting held on the 12th instant on certain matters connected with the subject of railway construction.

flag P

2. The points on which the orders of Government are solicited are briefly indicated in para 25 of the memorandum.

3. As some of the points have to be dealt with in the Railway Department, I am also sending a copy of this memorandum to the Secretary to Government for Railways.

I have the honor to be,

S I R,

Your most obedient servant,

Matthan

Offg: Deputy Commissioner,

Chitaldrug District.

S.V.

191 3.

From

The Offg. Deputy C...
Chitaloorug Dy C...

To

The Secretary to Govt
Genl & Rev: Depth
Bangalore.

Dated

Despatched 24. 5. 13.

Received

General No. 464-5

No.

Enclosure No. 2.

Submitting a memorandum on the matter of the Construction of Railways in this Chitaloorug District with a copy of the District Board's Resolution on the subject, thereon 12th May 1913.

GPB—50,000—26-9-12

Recd to 11 & 12

(49)

Proceedings of the meeting of the District Board held at Chitaldrug on the 12th May 1913.

President:- K. Matthan Esquire B. A., Present

Official Members.

P C G Hemmeonhy's District Medical and Sanitary officer, Chitaldrug.

P Khanasamy Row Assistant Commissioner, Davanagere Sub-Division.

P M S Ramachandra Rao Assistant Commissioner, Chitaldrug Sub-Division.

A Mr Srinivasa Deputy Inspector of Schools, Chitaldrug.

P R S Newaratna Executive Engineer, Chitaldrug Division.

P M Sadasiva Row Vice President, ~~Chitaldrug Municipality.~~ ex officio

Non-Official Members.

P P. Nanjundappa.

P Shanbhogue Subbanna.

P Muttagadur Gurusiddappa.

P Vale Basappa.

A " Channagiri Narayana Chetty.

P " Nerlahalli Sannappa.

P " P. Nagappa.

P " Nagoji Row.

P " Shanbhogue Srinivasa Row.

P " Abdul Razak

A " Shanbhogue Rangadasappa.

P " Khubaji Durgappa.

P " Abdul Rahiman Sab.

P " H. Subba Row.

P " Maganahalli Basappa.

P " B. V. Narayana Row.

P " Belagatta Ajjappa.

P " Siddaramiah.

(N. B.) All the Amildars and Deputy Amildar were present

X X X

X X

X. Read Government order No. 6389-90/L.B.21-11-1 dated 21st February 1913 and letter No. 913 dated 14/15th April 1913 from the Secretary to Government for Railways regarding the financing of the Chick-Jajur Chitaldrug Railway.

Resolved (1) that as it is desirable to extend the line to Hiriyur and as the levy of a railway cess of three pies in the rupee will be insufficient to provide for interest and sinking fund, the Government be moved to modify the Bill now before the Legislative Council so as to allow of railway cess being levied at a rate not exceeding one anna in the rupee.

(2) that, as a narrow gauge line will be insufficient to deal with the traffic in this District for many years to come, the Government be requested to reconsider the question of gauge.

(3) that, for the raising of funds, by issue of debentures, a prospectus be issued with the permission of Government.

(Sd) H. Hatthan,
President, District Board,
Chitaldrug District.

S.V.

"COPY"

Hatthan

President, District Board,
Chitaldrug District.

S.V.

(50

RAILWAY CONSTRUCTION IN THE CHITALDRUG DISTRICT.

Original proposals.

The original proposal submit from this District was that the capital cost of the proposed Railway from Chick Jajur to Chitaldrug, then estimated at about six lakhs, should be lent by the Government to the District Board or raised by the Government for the District Board as a loan in the open market, to carry interest at four per cent, that the District Board should guarantee the interest; and that the funds required for paying the difference between the guaranteed interest and the net earnings of the Railway should be provided by levying a Railway cess at the rate of three pies in the rupee and a toll on carts entering the Chitaldrug town.

Reconsideration required.

2. These proposals require reconsideration for the following reasons:-

(1) The probable cost of the proposed line to Chitaldrug has been estimated, after detailed survey, at 8½ lakhs.

The income from a three pie cess would not be adequate to enable any District Board in the State to finance a satisfactory and comprehensive scheme of District Board Railways. The utmost that could be done would be a very short line, with no possibility of extending it for years.

4. In such a matter comparisons even within the State are liable to be misleading. The Kolar District Board with the higher incidence of taxation, larger population, and larger Land Revenue of the District may find it sufficient to levy a three pie cess for the construction of a short Railway line of 12 miles costing about 5 lakhs, but in the Chitaldrug District with its light assessment, sparse population, and smaller revenue, and with 21 miles of railway to build in order to connect the Head Quarters of the District with the existing railway line, a three pie cess is clearly quite inadequate.

Since writing this I have received a communication from the Deputy Commissioner of Kolar in which he says that it would probably be necessary to levy a six pie railway cess in the Kolar District for financing the Bowringpet-Kolar Railway.

These facts will show how eager the people are to have the railway and also that there will be no difficulty in getting the consent of the various local bodies in the District to the levy of a higher rate of cess than three pies in the rupee if the line is taken on to Hiriyur.

7. The desirability of extending the railway to Hiriyur with a view to tap the rich produce in cotton, oil seeds and pulses grown in this Taluk does not require much argument in its support. The quality of the cotton grown in the Taluk is said to be very superior and the number of acres under cotton cultivation in the Taluk is 28,680 during the year 1912-13 against an average of 12,267 acres for the three previous years. As in the rest of the District the area under cotton in this Taluk is increasin by leaps and bounds every year, a Railway to Hiriyur will also attract t cotton and other produce of the Sira Taluk in the Tumkur District.

Almost daily, one sees cotton-laden carts from Hiriyur and Sira Taluks pass through Chitaldrug to Davanagere.

8. Further, the extension of the Railway to Hiriyur will give a great and much needed impetus to the expansion of cultivation under the Marikanve Reservoir by facilitating immigration. The Census Report of 1911 shows that the density of population in this Taluk is 99 to the square mile, against 136, the average for the District and 197 for the whole State. The Season and Crop Report for 1910-11 (the latest published report) gives a cropped area of 1,37,481 acres, while the current fallows are as high as 80,714 acres and the culturable waste is only 23,380 acres. The conclusion to be drawn from these figures is that the population and agricultural resources of the tract are too inadequate to cultivate anything more than 57% of the culturable area, while at the same time the assessment is so light that the ryot does not mind

keeping 37% of his holding fallow paying land revenue thereon. The figures for 1911-12 (not yet published) are even more startling. The cropped area was 1,15,138 [illegible] or only 48% of the culturable area. The current fallows were 1,05,151 acres or as much as 47.7% of the occupied area, and the culturable waste was 20,727 acres. We have here the best possible conditions favorable for immigration. What is wanting is the means of rapid transport that would make the immigrant feel that he is within easy reach of his home.

9. Among other considerations in support of the proposal are the following:

(1) If a ~~through~~ branch railway is constructed up to Hiriyur, the Tumkur District Board will probably follow suit by bringing a branch line from Gubbi to Sira or from Banasandra to Huliyar and then it would not be a difficult matter to link up the two branch lines, and thus open out the rich tracts of Sira, Huliyar, Budihal and Chickanaikanahalli.

(2) The people are most keen about the Railway being extended to Hiriyur, and, as already stated, the Taluk Board of Hiriyur have of their own accord passed a resolution in favor of taxing themselves to the extent of an additional one anna in the rupee. When the people are so ready to incur an extra pecuniary burden to secure the benefit of railway communication, the authorities must meet them half way and deal with the matter as sympathetically as possible.

10. It might be answered that the Railway to Hiriyur can be thought of after the line to Chitaldrug is constructed and has been working for a few years. But it is feared that if advantage is not taken of the present eagerness of the people, as well as the present forward policy of the State in the matter of railway construction, the extension to Hiriyur will be indefinitely deferred, and the possibilities of the Marikanve Reservoir remain unexploited for a long time to come.

Survey from Chitaldrug to Hiriyur.

11. If the above proposals are

considered to be deserving of further investigation, it is requested that a detailed survey of the line from Chitald... to Hiriyur be ordered to be undertaken without delay, and estimates of probable cost and probable earnings prepared. The cost of the survey may as usual be paid in the first instance from Provincial Funds and transferred to the District Board when construction is sanctioned.

Cost of the Extension to Hiriyur.

12. The distance from Chick-Jajur to Chitaldrug is 21.07 miles and a metre gauge line is estimated to cost 8.54 lakhs which gives an average rate of Rs 40,549 per mile. Chitaldrug to Hiriyur is a distance of 24½ miles, but allowing for distance of 27 miles (in case of a slight detour being necessary to avoid the range of hills to the east of Chitaldrug) the cost of a metre gauge line to Hiriyur may be roughly taken as 10.95 lakhs. The total cost from Chick-Jajur to Hiriyur would thus be 19½ lakhs, say 20 lakhs in round figures.

(6)

Question of Gauge.

.3. The cost will of course be much less if the line is built on the narrow gauge. The District Board at its meeting held on the 12th May 1913 has resolved that the Government be requested to reconsider the question of gauge. The considera-tions which have weighed with the District Board in coming to this resolution are the following:-

(1) A narrow gauge line will be amply sufficient to deal with the passenger and goods traffic in this District for many years to come.

(2) The cost of a narrow gauge line will be much less than that of a metre gauge line.

(3) The convenience of interchange of stock between the main line and the branch line if there be no break of gauge, will be more than counter-balanced by the inconveniences arising from shortage of waggons which may be caused by the branch line waggons being allowed to run to great distances on the main line. The experience of Indian

merchants at Davanagere is that in dealing with a foreign railway administration long delays in the supply of waggons and consequent loss are of very frequent occurrence.

) The cost of transhipment at the junction station will be inconsiderable. As the chief products of this District and the chief imports consist of dry goods there need not be much loss or inconvenience by transhipment.

(5) If there is a narrow gauge line we can have our own work shop and afford opportunities to our young men for developing their mechanical skill. which will be of great value in connection with Industrial development.

(6) A narrow gauge line could be worked by our own agency instead of being handed over to a foreign company.

14. I have given my best considerations to this subject and consulted several people interested in the matter, and have come to the conclusion that the question of gauge requires further examination. That a narrow gauge line will be quite sufficient to meet the need of this District for a long time to come admits of no doubt. In these circumstances, to require the District Board to

incur the additional cost of a line of broader gauge would be to throw a needless burden on the Board, and will be tantamount to placing a check on railway construction. It is not only a question of the initial capital cost. The annual sinking fund contribution will be proportionately higher, and the amount required to make up the guaranteed interest will be more than proportionately increased. If there was a reasonable probability of the line becoming part of a through route in the near future there would be justification for incurring the increased outlay; but as there is no such probability, and the line must remain a branch or feeder line for many years, it does not appear that there is any need for its being built on the metre gauge. The possibility of linking up the Chick-Jajur Chitaldrug line with the metre gauge line from Bellary to Rayadurga also appears to be very remote indeed. Enquiries made by me in Chellakere show that the traffic in the direction of Bellary and Rayadurga is

very limited except from the Molakalmuru Taluk. For a line to connect Chitaldrug with Ravadurga. some 45 to 50 miles of railway will have to be put down within the limits of this District, and that is quite beyond the means of this District Board for at least a generation. If, later on it should be found that the traffic justifies a metre gauge line, there would be nothing to prevent a narrow gauge line being converted into one of metre gauge.

Cost of a narrow gauge line.

15. It is believed that the cost of a narrow gauge line will not exceed @ Rs 30,000 per mile. A line from Chickjajur to Chitaldrug on this gauge will probably cost 6½ lakhs, and from Chick-Jajur to Hiriyur about 15 lakhs. Before proceeding further it is necessary that the probable cost should be known with some degree of exactness. It is therefore requested that an alternative estimate for a narrow gauge line from Chick-Jajur to Chitaldrug be called for, and that if Government approve of the proposal made above to conduct a

etailed survey of the extension from hitaldrug to Hiriyur estimates may be alled for both a metre gauge line and a arrow gauge line.

Financing the undertaking.

16. Detailed proposals for financing the undertaking cannot conveniently be made until the order of Government on the points raised in the preceding paragraphs are received. But the following outline is submitted.

17. A reference to the previous correspondence on the subject in this office shows that the idea was " to raise the capital required for the railway by means of a loan from Government which will be repaid in time by raising a debenture loan " (vide para 1 of Mr. Chandy's letter No. 487 dated the 25th May 1912). But I take it that the Government is hardly likely to come to the assistance of the District Board and advance the cost or the railway, without the Board putting its shoulder to the wheel and raising a fair portion of the capital required. The District is not rich;

Vide sl 9 in the file

This, no doubt, will not be an easy matter.

the total amount at the credit of depositors in the Savings Bank is only Rs 4.19.000 on the 30th June 1912. there is very little of industries and trade except at Davanagere, where however money brings in a return of 18 to 24 per cent and @ it will be exceedingly difficult to get people to take up debentures paying interest at four per cent only. Nevertheless, I think that it is possible by strenuous effort to raise about three @@@ lakhs within the District. Of the balance of about 12 lakhs required for the line from Chick-Jajur to Hiriyur a portion will have to be contributed as a free grant from the Government and the remainder as a loan.

Chick-Jajur Chitaldrug ~~Line~~ Section.

18. Taking the Chick-Jajur Chitaldrug ~~Line~~ Section by itself, the capital cost of a narrow gauge line from Chick-Jajur to Chitaldrug is about 6½ lakhs. If the District Board raises 3 lakhs I think it would be fair that the Government should give the Board a loan of the

balance of 3½ lakhs, out of the sum provided for subsidies to District Boards in Government Order No. 224-30/Ry.F. 124-11-12 dated 13th November 1911. This District being the most backward in the whole State and the distance between the present line of railway and the District Head Quarters being so great, it would not be unjustifiable for the Government to make this contribution to the undertaking. The District Board can easily meet the interest and sinking fund charges by levying a three pie railway cess. The probable return from the line on a capital outlay of 8½ lakhs having been found to be 3.1%, the return when the capital is reduced to 6½ lakhs will be $\frac{3.1 \times 8.5}{6.5}$ or over four per cent. It will not therefore be necessary to set apart anything for making good the guaranteed interest, and the whole of the income from the three pie railway cess amounting to Rs 20,234 can go into the sinking fund. A loan of 6½ lakhs can be fully repaid in 25 years by an annual payment of Rs 15,613 carrying

interest at four per cent.

Chitaldrug ~~to~~ Hiriyur Section

19. The financing of the proposed extension to Hiriyur stands on a somewhat different footing. As remarked by Mr. Chandy in his letter No. 281-2 dated 4th January 1912 " the Government have even a greater financial interest in bringing the Railway up to Hiriyur than the District Board, as Government are already in possession of the Marikanve asset, for whose development railway extension is the best method." It may not therefore be unreasonable for the Government to pay from its own funds half the cost of the extension from Chitaldrug to Hiriyur, the District Board being responsible for the other half. But the proposal I would make is that out of the total estimated cost of the line from Chick-Jajur to Hiriyur, viz, 15 lakhs, the Government should make a free grant of one-fifth of the cost viz 3 lakhs, to the District Board, and the District Board should be responsible for the remaining 12 lakhs. If the District

Vide Sl 3 in the file

Board raises 3 lakhs in the District, th Government should advance the balance of nine lakhs to the Board either as a loan ~~only~~ taking debentures which will carry interest at 4%. The net earnings of the 21 miles from Chick-Jajur to Chitaldrug are estimated at 3.1% of the capital outlay of 8½ lakhs at Rs. 40.000 a mile. The net return on the proposed extension to Hiriyur cannot be much less, but to be entirely on the safe side we may put it down at 2% on a capital outlay of 11½ lakhs at the same rate of Rs. 40,000 a mile Combining the two together we get the following:-

	Rs.
Probable income on the Chick-Jajur Chitaldrug Section ~~line~~, 8½ lakhs at 3.1%.	26,350.
Probable income on the Chitaldrug Hiriyur section, 11½ lakhs at 2%.	23,000.
Total.	49,350.

Now, if the amount for which the Distric Board has to pay interest is only 12 la the annual interest charge will be Rs. 48,000, and the earnings of the line will be more than enough to meet this

charge. And a debt of 12 lakhs can be repaid in 25 years by an annual payment of Rs. 28,824, say Rs. 29,000. This will be more than covered by levying a railway cess of six pies in the rupee to which it will be easy to obtain the consent of the District Board. The income from a six pie cess is expected to be Rs. 40,468.

It is ascertained from the Comptroller's accounts that the income from one anna Cess for 13-14 is 5-9-2-4-9-10. Thus Six pie can only bring in about Rs 30000.

Justification for Government aid

20. In considering the question to what extent the Government should subsidise the District Board for the construction of the Railway to Hiriyur one important point to be borne in mind is the fact that the more favorably situated Districts like Bangalore, Mysore, Shimoga and Hassan have their railways constructed from State Funds. (vide also Government Order No. 1164-93/Ry.F. 110-12-13 dated 23/24th April 1913). and it is the very Districts which are most backward that have to finance Railway schemes of their own. The Districts that most stand in need of assistance from the Government at present are probably Chitaldrug and Kadur and it would not be unreasonable to ask

Government ~~at~~ spend, for the benefit of these Districts, a small portion of the expenditure ~~they are~~ incurring from State Funds for the extension of ~~Railways~~. When, added to this, there is the need for developing the great possibilities of the Marikanve Reservoir -- a matter in which the Government is most keenly interested - the case for a Government grant of three lakhs, which is only one-fifth of the total estimated cost of the line, appears to be strong indeed.

21. Another consideration that may be urged is that under the Government of India Rules (Railway Board Notification No. 105/R.P. dated 23rd June 1910) even private companies constructing @ feeder lines of ~~Railway~~ receive substantial assistance from Government in the shape of land free of cost and guarantee or interest at 3½% or a rebate so as to yield a return of 5% on the capital expenditure. Here the interest is to be entirely found by the District Board, and

although the Government should guarantee it to the debenture holders, as between the Government and the District Board, the Board will reimburse Government in any expenditure incurred on this account. The only pecuniary assistance that the Board asks for is a free grant of 3 lakhs, which under the circumstances of the case may not be regarded as excessive

22. As regards the loan of 9 lakhs although, of course, it would be a great assistance to the District Board which will be keenly appreciated, the Government on ~~their~~ its part, may very well regard it as an investment. The calculations in the preceding paragraphs show that it will be an absolutely safe investment, and that the whole money will be repaid in less than 25 years. The Government loan can be repaid first and the debentures issued to the public can be redeemed on the expiry of the 25 years. If, as shown in para 19, the whole of the income from a six pie cess, amounting to Rs 40,000 be set apart for repaying the Government loan, the

~~whole of the~~ loan (9 lakhs) will have been repaid in about 16 years

Issue of prospectus.

23. The District Board ~~have~~ has also resolved that for the raising of funds a prospectus be issued with the permission of Government. This has to be done whatever may be the decision of Government as to the terminus of the Railway and as to the gauge. It will be sufficient to say that the District Board proposes to raise a debenture loan for constructing a railway from Chick-Jajur to Chitaldrug and if funds are forthcoming to Hiriyur; that the loan will be repaid in 25 years out of funds obtained by levying a railway cess; and that the Government guarantees interest on the loan at 4%. It is to be regretted that a prospectus could not be issued earlier. The ryots have had good seasons and realised very good prices for their crops. The prospectus of the Mysore Bank has issued and vigorous canvassing is going on for subscriptions, for shares in the Bank. In order that the Bank and the

railway may have equal chances it is necessary that a prospectus regarding the railway should issue at once.

Summary of conclusions.

24. The conclusions arrived at in the preceding paragraphs may be summarised as follows:-

(1) A three pie railway cess will be insufficient to finance a metre gauge line even from Chick-Jajur to Chitaldrug, but will be sufficient to meet the interest and sinking fund charges of a narrow gauge line from Chick-Jajur to Chitaldrug.

(2) It is desirable to carry the railway on to Hiriyur once for all. A six pie cess will be sufficient to meet the interest and sinking fund charges of a narrow gauge line.

(3) The Government should assist the District Board with a loan of 3½ lakhs fo constructing a narrow gauge line from Chick-Jajur to Chitaldrug. The line can be taken on to Hiriyur if the Government will make a contribution of 3 lakhs, and grant a loan of 9 lakhs.

G. R. S. 26] 16/5

S + (26

File No. 21-
Serial No. 14

*Diary No. of letter replied to*_____

No. 11479
L131 9/26-8-

General and Revenue Secretariat
(L.P.)
, *the* 191

To The Deputy Commissioner
Chittaldrug

Date of issue 16.5.14

Sir,

Signed by Jas A V Ramanathan

I am directed to inform you that the sanction of the Govt. of India has been received to the construction by the Darwar of a line of railway on the metre gauge, from Chikjajur to Chitaldrug at an Estimated Cost of Rs. 8,54,082 with a view therefore to take the necessary further action in

over.

SUBJECT.

MR 15/5-

the matter, I am to invite your attention to Govt. notification No. H.4932-51/G.7.1(2-13-1) dated 22-4-1914, published at 334 a & b of Part I of the Bombay Gazette dated the 23rd April 1914 and containing the rules regarding the "Financing of the Feeder lines in the State" and to request the favour of the submission of an early report as to the extent to which it for the District Board of Chitaldrug may be possible to raise funds for the line in accordance with the Concessions therein sanctioned.

I have, &c.

List of enclosures

Ans 13/5 for Secretary

Copied by

Examined by

GPB—25,000—4-3-13

G. R. S. 34]

No. 12605 CBU-11—15

GOVERNMENT OF H. H. THE MAHARAJA OF MYSORE.

General and Revenue Secretariat.

( )

Office Memorandum.

To The Secretary for Railways, Govt of Mysore -

the 13-6 1914

The accompanying file re the construction of the Chickjajur - Chikkaldoni Railway is herewith returned. Needful action regarding financing the scheme is being taken separately.

By. order

for Secretary

No 2

Office of the President, District Board,
Chitaldrug District.

Dated Chitaldrug, 3rd July 1914.

(18

From

D 167
LBM-11-16.

V. R. Thyagaraja Iyer Esquire M.A.,
President, District Board,
C h i t a l d r u g.

To

D. M. Narasinga Row Esquire B.A.,B.L.,
Offg: Secretary to the Government of
His Highness the Maharaja of Mysore,
General and Revenue Departments,
B a n g a l o r e.

S I R,

With reference to your letter No.11479/L.B.21-11-14 dated 16th May 1914 requesting to report as to the extent to which it may be possible for the District Board to raise funds for the construction of a railway line from Chickjajur to Chitaldrug, I have the honor to state that the subject was placed before the District Board meeting held on the 20th ultimo. I herein enclose for the orders of Government a copy of the Board's resolution in the matter.

I have the honor to be,
S I R,
Your most obedient servant,

V. Thyagaraja Iyer
President, District Board,
Chitaldrug District.

S.V.

KR

1916.

From The President, District Board
Chitradurg

To The Secretary to the Govt of
H. H. the Maharaja of Mysore
General & Rev Department
Bangalore

Dated 30 July, 1916
Despatched
Received

General No.
No.

Enclosure No. 1

Submitting, for orders of Government, a copy of the Board's resolution held on the 26th ultimo, regarding the construction of a Railway line from Chickjajur to Chitradurg.

Enc to LB 21-11 8-16 (28

Proceedings of the meeting of the District Board held at Chitaldrug

On Saturday the 20th June 1914.

President:- V. R. Thyagaraja Iyer Esquire M.A.. (Present)

Official Members.

P 1. Mr. A. Krishna Murthi Rao, District Medical ~~and Sanitary officer~~ officer, Chitaldrug.

P 2. " R. Nanarany Rao, Assistant Commissioner, Davanagere Sub-Division,

P. 3. " M. S. Ramachendra Rao, Assistant Commissioner, Chitaldrug Sub-Divisio

A 4. " M. K. Ummalathar, Deputy Inspector of Schools, Chitaldrug.

P 5. " R. S. Navarathna, Executive Engineer, Chitaldrug Division.

P 6. " M. S. Ramachendra Rao, Vice President, Chitaldrug Municipality.

Non-Official Members.

P 1. Mr. P. Nanjundappa.

P 2. " Shanbhogue Subbanna.

P 3. " Muttagadur Gurusiddappa.

P 4.

P 5. " Channagiri Narayana Chetty.

P 6. " Thippeswamy.

P 7. " P. Nagappa.

P 8. " Nagoji Row.

P 9. " Shanbhogue Srinivasa Row.

P 10. " Abdul Razak.

P 11. " Shanbhogue Rangadasappa.

P 12. Khubaji Durgappa.

P 13. Abdul Rahiman Sab.

P 14. " H. Subba Row.

P 15. Kaganahalli Basappa.

P 16. " B. V. Narayana Row.

P 17. " Bolagatta Ajjeppa.

A 18. " Siddaramiah.

Except Kolalkere Amildar

(N. B.) All the Amildars and Deputy Amildar were present

X X X

XI. Read letter No.11479/L.B.21-11-14 dated 16th May 1914 from the Secretary to Government, General and Revenue Departments informing that the sanction of Government of India has been received to the construction of a railway line from Chickjajur to Chitaldrug and calling for a report as to the extent to which it may be possible for the District Board to raise funds for the line in question.

Resolution:- The Board is willing to have a six pie cess levied throughout the District under the provisions of the Regulation No.V of 1914 and thereby guarantee the interest at 4% on the loan to be raised for the construction of the railway. The Board ventures at the same tire to bring to the notice of Governmen that the rules referred to by Government in the notification dated 22nd April 1913 are applicable to light railways i,e, 2 feet 6 inches gauge while the railway sanctioned by the Government of India is of the metre gauge. The Board thinks that it can finance the construction of railway if it is made of the narrow gauge as already recommended in the memo submitted to Government with Deputy Commissioner's letter No.~~4645~~ 4645 dated 24th May 1913.

(Sd) V. R. Thyagaraja Iyer,
President, District Board.

"C O P Y."

President, District Board,
Chitaldrug District.

S.V.

29/0

G. R. S. 26]

(80

Financing ~~the scheme~~ Chitaldrug-Chickjajur Railway project.

File No. 21

Serial No. 15

Diary No. of letter replied to 16/

Sir

No. 2201

LB 21-11-17

31.8.14

General and Revenue Secretariat

(LB)

, the *191*

To

The President Dt Bd

Chitaldrug Dt.

Date of issue 31.8.14

Signed by Mar. Ramanathan Sir,

Paper under disposal

With reference to your letter no. 2 dated the 3rd July 1914 in the matter of financing the project for a railway line between Chitaldrug and Chickjajur I am directed to state that ~~Govt. are~~ Govt. deem it inadvisable to adopt a narrow gauge of 2ft 6 inches for the line in quest. in view of prospective extensions of

SUBJECT.

I am further directed to
add that the rules laid
down in Govt nom no: 4932-81
G.7 163-13-1
dated 22nd April 1914 ~~will be~~ are also
applicable in the case of metre guage
~~railways~~
lines ~~also~~ and to enquire if
the District Board can finance
a metre guage line. and if so to what extent & with prepared to undertake financial responsibility for the line

I have etc

A

for Secy
for offg Secretary

Memo B.E. 8.8.14

Copy forwarded to the Secretary
Railway Department.

27.8.14

By order

A

for offg Secretary

B.E. 8/8/14

List of enclosures

Copied by

Examined by

GPB—25,000—4-3-13

No.157/1

L.B.21-1

Office of the President, District Board,
Chitaldrug District.

om D 2280

Dated Chitaldrug, 23rd September 1914. (28th) (87)

V. R. Thyagaraja Iyer Esquire M.A.,
President, District Board.
C h i t a l d r u g.

D. M. Narasinga Row Esquire B.A.,B.L.,
Offg: Secretary to the Government of
His Highness the Maharaja of Mysore,
General and Revenue Departments,
B a n g a l o r e.

S i r,

With reference to your letter No.2261/L.B.21-11-17 dated 31st August 1914 enquiring whether the District Board can finance the construction of a metre gauge line or Railway between Chitaldrug and Chick-Jajur, I have the honor to state that the District Board before whom the subject was placed at their meeting held on the 16th instant have expressed the opinion that the raising of the required amount by local debentures not being practicable. the same may be advanced to them as a loan by Government at 4% and that the six pie cess should be levied for the purpose of meeting interest and forming sinking fund for the liquidation of the loan. Rajas vachan 8(17)

2. A copy of the Board's resolution is enclosed.

3. I request that the Government may be pleased to pass orders on the Board's resolution.

I have the honor to be,
S I R,
Your most obedient servant
for President, District Board,
Treasury Asst: Commr
Chitaldrug District.
(Absent from station)

S.V.

CPB—100,000—29-7-14

1914

From [illegible], Director
General of Railways

To The Secretary to the Govt
of India in the Industries &
Govt of Rep & Parliamentary
Branch Bangalore

Dated
Despatched 28th September 1914

Received

General No.
No.

Enclosure No. 1

Submitting the Copy of the
Board's resolution on the
matter of financing the Construc-
tion of a few metre gauge lines
of Railways in Southern Districts
and Chitaldrug.

Enc to LB 21-11
218

(82

Proceedings of the meeting of the District Board held at Chitaldrug at 3.30 P.M. on Wednesday the 16th September 1911.

Present:- V. R. Thyagaraja Iyer Esquire B.A., President.

Official Members.

1. Mr G. Hanumanthappa — District Medical Officer, Chitaldrug.
2. " R.S. Navaralna — Executive Engineer, Chitaldrug Division
3. " T. Chokkanna — Assistant Commissioner, Davangere Sub-Division.
4. " S. Chakrapani Iyengar — Assistant Commissioner, Chitaldrug Sub-Division.
5. " M.K. Tirumala char — Deputy Inspector of Schools, Chitaldrug.
6. " R. Venkatarao — Vice President, Chitaldrug Municipality.
7. " M.G. Srinivasa Pandit — District Sanitary Officer, Chitaldrug

Non-Official Members

P. 1. Mr. D. Nanjundappa — M. Anantha Chetty,
P. 2. " ~~Shanbhog Guppanna.~~ — Chennaveeran
P. 3. " ~~Muttagadur Gurusiddappa.~~ — Shanbhogue Subbanna
P. 4. " ~~Kore Basappa.~~ — Bhari Sanna Thippeswami
P. 5. " ~~C. Narayana Chetty.~~ — Jodidar Bhanachar
P. 6. " ~~Thippeswamy.~~ — M. U. Gobalaiah
P. 7. " ~~P. Nagappa~~ — Gowda Nagappa,
P. 8. " ~~Nagoji Row~~ — Bellara Papanna
A. 9. " ~~Shanbhog Srinivasa Row.~~ — T. Shadakshariappa
P. 10. " ~~Abdul Razak.~~ — Kanaiah
A. 11. " ~~Shanbhog Pangadasappa.~~ — Abdul Razak,
D. 12. " ~~Khubaji Durgappa~~ — Sanna Thippaiah
P. 13. " ~~Abdul Rahiman Saheb.~~ — Gundappa
P. 14. " ~~H. Subba Row.~~ — D. Ramanna
P. 15. " ~~Nagenahalli Basappa.~~ — Gurusiddappa
A. 16. " ~~B. V. Narayana Row.~~ — Bellara Ponnamma
D. 17. " ~~Belagatta Ajjappa.~~ — Narain Setty
~~18. " Siddaramiah.~~

N. B. All the Amildars and the Deputy Amildar of Harihar Sub Talu were present.

X X X X

XII. Read letter No.2261/L.3.21-11-17 dated 31st August 1914 from the Secretary to Government enquiring whether the District Board can finance a metre gauge line between Chick-Jajur and Chitaldrug etc.

Resolution:- The Board is of opinion that the necessary amount (8½ lacs) may be advanced as a loan to the Board by Government at 4% and that the six pie cess should be levied for the purpose of meeting interest and forming sinking fund for the liquidation of the loan. The necessary details will have to be worked out in the Financial Department. The raising of the required amount by local debentures is not practicable.

(Sd) V. R. Thyagaraja Iyer,
President.

"APPROVED"
Officiating Asst. Commr &
Ex-officio President, District Board,
Chitaldrug District.
(Absent from Station).

S.V.

G. S. 287

Construction of a narrow gauge railway from Chickjajur to Chitaldrug / 83

0615

File No. 21/11

Serial No. 19

Diary No. of letter replied to 2280

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL AND REVENUE SECRETARIAT.

, the 191 X

Date of issue 26.5.15

Signed by Mrs. A. V. Ramanathan

READ—

G.O. No. 6389-90/LB21-11-1, dated the 21st Feb 1913 calling for definite proposals for financing the scheme to construct a metre guage railway between Chickjajur and Chitaldrug

2) Correspondence ending with letter no. 151 dated the 23

over.

ORDER THEREON. No.

Paper under disposal

SUBJECT.

Mrs. 1/ 26/5

GPB— —1-12-12

Sep 1914 from the President
District Board, Chitaldrug &c
forwarding extracts from the
proceedings of the District Board
requesting that the entire
outlay required for a metre
gauge line may be advanced
by Govt as a loan at 4%
as it is not practicable to
finance it locally and ~~Considering~~ stating that it may be
~~it~~ possible to raise locally
the funds necessary for a narrow gauge
railway.

Order 9536-8 dt 21-11-1914. 5. 15.

Government consider
the narrow ~~gauge railway~~ gauge for the above mentioned line
to be more suitable than ~~the~~
metre gauge ~~line~~ and direct
that the estimates may be revised
and work carried out accordingly.
The District Board of Chitaldrug
should take steps immediately
finance the revised project
ascertaining if necessary the probable cost
the Engineer-in-Chief for Railways.

13/5/15

13/5/15

20/5

To The Presidt
Chief Engineer
Secy for

~~Secy for~~ offg Secy Genl & Rev Depts 17/5